Economic Review

April 1984

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Economic Review

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A general review of recent economic developments
presented by
The Honourable Marc Lalonde
Minister of Finance

Department of Finance
Canada

Ministère des Finances
Canada

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1. A General Overview of Developments in 1983

Following the most severe of the postwar recessions, an economic recovery began in Canada in the first quarter of 1983 and continued through the end of the year. Six quarters of output loss during the 1981-1982 recession were almost fully recaptured in the first four quarters of the recovery, as the level of real gross national expenditure (GNE) in the fourth quarter of 1983 was virtually the same as its earlier peak in the second quarter of 1981. Reflecting this strong increase in output, employment increased and the unemployment rate fell during the year despite large recovery-related increases in participation rates and the labour force. The rate of inflation continued to decline quickly through 1983 and by the end of the year major price indicators were increasing at about half their rates at the end of 1982 and at their lowest rates in a decade. The current account balance again posted a surplus in 1983, the second largest on record, on the strength of the merchandise trade performance.

On the international front, the United States also emerged from the recession in the first quarter of 1983 and growth continued to the end of the year. The rate of inflation again fell in the U.S. in 1983. The other five(1) major countries of the Organization for Economic Cooperation and Development (OECD) combined, expanded at the same modest pace in 1983 as in 1982. Whereas the major development in the North American economies in 1983 was the recovery, the main event of note in the five other major countries was a further substantial decline in the rate of inflation.

The plan of this *Review* is as follows. Chapter 1 provides an overview of major Canadian and international developments in 1983. The major components of aggregate domestic demand are discussed in Chapter 2. This is followed in subsequent chapters by analyses of the labour market, inflation, the balance of payments, the government sector, financial markets and regional and sectoral developments.

Canadian Recovery and Policy Environment

Economic developments during the course of a year may be examined in two different ways: by comparing the situation at the end of the year with that at the beginning of the year; or by comparing annual averages. The latter method is adequate only if there have been no substantial swings in the economy, since changes in annual averages for a year are influenced not only by developments during that year, but also by developments in the preceding year. This was the case for 1983 when increases in output followed substantial declines in 1982. This section, and the rest of the *Review*, therefore, utilize both the year-end and annual average comparisons for the purpose of analysis.

Table 1.1 provides details of changes in major economic aggregates on an annual basis. Table 1.2 contains data comparing the 1983 recovery, on a fourth-quarter over fourth-quarter basis, with past recoveries and recessions. It also provides estimates of the extent to which major economic aggregates recovered their recession-related losses by the end of 1983. Chart 1.1, on the recovery of real GNE, is a useful way of comparing end-of-period and annual average data.

Real GNE increased 6.6 per cent from the end of 1982 to the end of 1983, and in the fourth quarter of 1983 was only slightly below the peak achieved in the second quarter of 1981 (Table 1.2 and Chart 1.1). Of the various components, consumer spending, inventory change and net exports were above their pre-recession peaks by the end of the year. Real government spending did not decline during the recession and increased modestly during the recovery. Both business fixed and residential construction investment were below their 1981 peaks in the fourth quarter of 1983. Although residential construction spending showed a significant increase during the 1983 recovery, it did not fully recover by

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(1) These countries are: Japan, France, Germany, the United Kingdom and Italy.

Table 1.1

Summary of Major Economic Indicators

	Average 1971-1980	1981	1982	1983
	(percentage change)			
Real gross national expenditure	4.1	3.4	−4.4	3.0
Consumer expenditure	4.7	1.9	−2.1	3.1
Government expenditure(1)	2.4	0.8	0.9	0.7
Residential construction	4.2	5.1	−23.1	27.6
Business fixed investment	6.1	7.6	−11.2	−12.2
Non-residential construction	5.9	8.2	−7.2	−15.6
Machinery and equipment	6.2	7.1	−14.9	−8.8
Inventory change(2)	760	632	−3,240	−146
Net exports(2)	−3,425	−3,601	80	−651
Exports	4.4	2.8	−1.6	6.4
Imports	5.7	3.8	−11.3	8.7
Labour market				
Labour force	3.3	2.9	0.5	1.9
Participation rate(3)	61.1	64.8	64.1	64.4
Employment	3.1	2.8	−3.3	0.8
Unemployment rate(3)	6.8	7.5	11.0	11.9
Costs and prices				
Average compensation	10.3	12.3	11.0	4.7
Productivity	1.0	0.6	−1.2	2.2
Unit labour costs	9.2	11.7	12.4	2.5
Consumer price index	8.0	12.5	10.8	5.8
Non-COLA wage settlements	10.1	13.3	9.9	5.6
Incomes				
Profits before taxes	17.1	−11.4	−36.1	52.8
Profit share of GNP(3)	11.4	9.7	5.9	8.3
Real personal disposable income	5.6	4.5	−0.8	−0.8
Savings rate(3)	9.6	13.8	15.1	12.9

(1) Includes current expenditure on goods and services and capital formation.

(2) Millions of 1971 dollars.

(3) Per cent or per cent share.

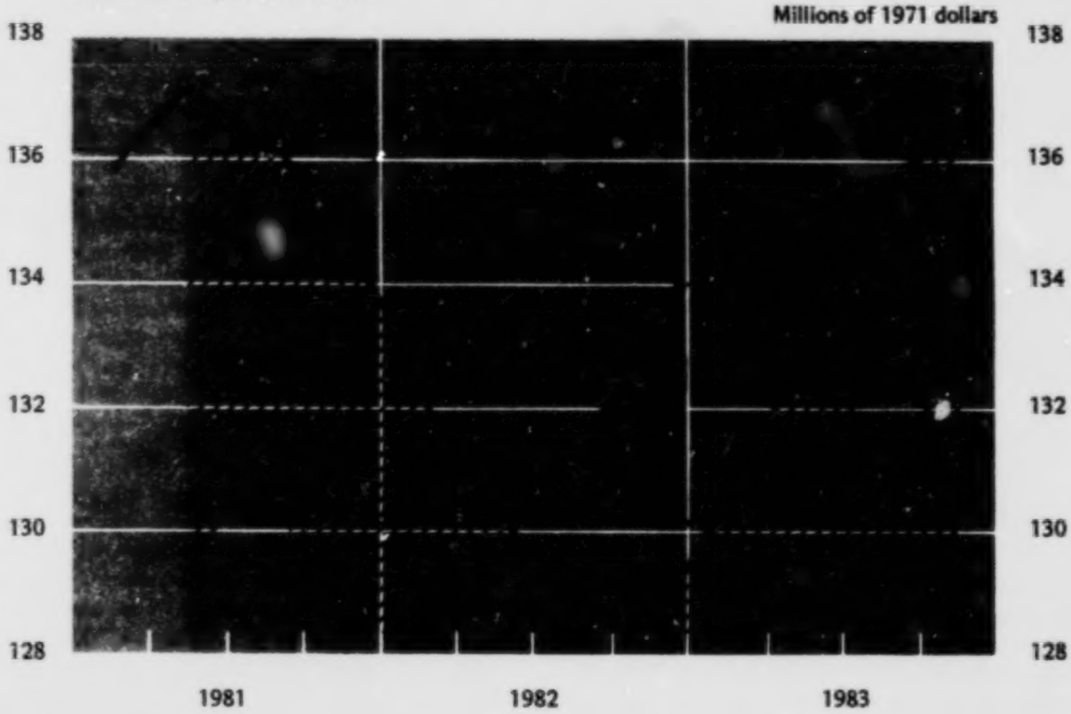
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; *The Labour Force*, monthly, cat. 71-001; *The Consumer Price Index*, monthly, cat. 62-001; Labour Canada, *Labour Data*, quarterly.

the end of the year because of the large magnitude of the decline during the recession. Total business fixed investment declined throughout 1983.

The recovery in employment during 1983 did not keep pace with the growth in output, resulting in a cyclical increase in productivity; by the end of 1983, 68 per cent of the employment lost during

Chart 1.1

The Recovery in Real GNE



The shaded areas represent changes from the beginning to the end of the recession and from the beginning to the fourth quarter of the recovery.

Source: Statistics Canada, *National Income and Expenditure Accounts*, cat. 13-001; and Department of Finance.

the recession was recovered. The labour force increased 1.2 per cent during the 1981-1982 recession and a further 1.6 per cent during the recovery. This expansion in the labour force partially offset the 3.5-per-cent increase in employment during 1983, limiting the decline in the unemployment rate during the recovery. Compared to the peak in the fourth quarter of 1982, the unemployment rate fell 1.6 percentage points to 11.1 per cent by the fourth quarter of 1983. However, the unemployment rate was 4.0 percentage points higher in the fourth quarter of 1983 than it was at its pre-recession low point in the second quarter of 1981.

The slowing in the rate of increase in the main indicators of prices and costs which began in the recession continued through the first year of the recovery. The drop in the inflation rate, as measured by the rate of change of the consumer price index, was impressive; after declining 3.0 percentage points during the recession, the rate of inflation fell another 5.1 percentage points during the recovery. The rate of increase in unit labour costs fell even more dramatically, by 8.8 percentage points compared to the 1.6-percentage-point reduction during the recession. Growth in labour productivity was up 3.7 percentage points during the recovery, more than offsetting the 2.1-percentage-point decline during the recession.

A number of significant developments also occurred in income flows during the 1983 recov-

Table 1.2

The Recovery(1) in 1983

	1983 Recovery	1981-1982 Recession	Extent of recovery(6)	Average postwar recovery(7) excluding 1983	Average postwar recession excluding 1981-1982
	(cumulative percentage change, unless otherwise specified)				
Real gross national expenditure	6.6	−6.5	95.4	7.0	−1.0
Consumer expenditure	4.4	−2.5	169.0	6.1	1.9
Government expenditure	1.2	3.3	*	4.2	2.6
Residential construction	16.1	−27.7	42.0	21.9	−8.4
Business fixed investment	−8.6	−17.5	**	0.8	−1.9
Non-residential construction	−16.0	−11.0	**	2.4	2.8
Machinery and equipment	−0.8	−23.4	**	−0.2	−6.7
Inventory change(2)	5,436	−4,692	116	397	−1,316
Net exports(2)	−268	3,384	*	−50	26
Exports	21.8	−9.1	217.2	5.8	−3.5
Imports	22.6	−17.2	108.8	5.6	−4.8
Labour market					
Labour force	1.6	1.2	**	2.2	2.4
Participation rate(3)	0.2	−0.7	31.1	0.1	0.1
Employment	3.5	−4.9	67.8	2.6	0.7
Unemployment rate(3)	−1.6	5.6	28.6	−0.4	1.7
Costs and prices(4)					
Average compensation	−4.9	−3.9	***	0.6	−1.4
Productivity	3.7	−2.1	177.9	6.3	−3.8
Unit labour costs	−8.8	−1.6	***	−5.9	2.7
Consumer price index	−5.1	−3.0	***	−0.2	0.8
Non-COLA wage settlements(5)	−3.2	−5.4	***	−1.5	4.1
Incomes					
Profits before taxes	54.9	−36.7	94.8	15.3	−10.4
Profit share of GNP(3)	2.5	−4.4	57.3	0.2	−1.6
Real personal disposable income	0.9	−1.3	68.9	6.3	1.5
Savings rate(3)	−2.0	1.4	141.5	0.2	−0.6

* No decline during the 1981-1982 recession.

** No recovery to the end of 1983.

*** Declines during both the 1981-1982 recession and the 1983 recovery.

(1) The 1983 recovery covers the period from the first to the fourth quarter.

(2) Millions of 1971 dollars.

(3) Change in percentage rate, or per cent share.

(4) Percentage point change in year-over-year rate of increase.

(5) Non-COLA wage settlements cover the period from 1967 onwards. Therefore, the average recovery and recession estimates are based on a limited number of observations.

(6) Change during the four quarters of recovery expressed as a percentage of the change during the preceding recession.

(7) The exact timings of the five post-war recoveries, excluding the 1983 recovery, were: third quarter in 1954; first quarter in 1958; second quarter in 1961; second quarter in 1975; and the third quarter in 1980. Estimates are based on the first four quarters of each recovery.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; *The Labour Force*, monthly, cat. 71-001; *The Consumer Price Index*, monthly, cat. 62-001; Labour Canada, *Labour Data*, quarterly.

ery. First, although corporate profits made major gains, the extent of the recovery was not enough to restore either the level or their share of GNP that existed before the onset of the recession. As a percentage of GNP, corporate profits in the fourth quarter of 1983 were still 1.9 percentage points below the peak in the second quarter of 1981, as only 2.5 percentage points of the 4.4-percentage-point loss during the recession was recouped. Second, real personal disposable income increased only modestly over the four quarters of 1983. Third, the personal savings rate declined 2.0 percentage points during the four quarters of the 1983 recovery compared to the 1.4-percentage-point increase during the 1981-1982 recession; from the first quarter of 1982, when the savings rate peaked at 15.9 per cent, the drop was 3.6 percentage points to the fourth quarter of 1983.

On an average annual basis, two major factors underlying the recovery in output in 1983 were: a $3.1 billion decline in the rate of inventory run-off, from $3.2 billion in 1982 to only $146 million in 1983; and the 27.6-per-cent increase in residential construction spending after a 23.1-per-cent decline in 1982. The inventory change accounts for 2.4 percentage points of the 3.0-per-cent gain in output in 1983. Although consumer spending increased at about the same pace as real GNE in 1983, the personal sector nevertheless made a significant contribution to the increase in output. Personal disposable income in nominal dollars increased only 5.1 per cent while nominal GNE was up 9.0 per cent. The increase in real consumer spending, therefore, occurred through a 2.2-percentage-point decline in the personal savings rate to 12.9 per cent in 1983. Business fixed investment and foreign trade detracted from growth in 1983. Business fixed investment fell 12.2 per cent in 1983 following a decline of 11.2 per cent in 1982. As in 1982, both non-residential construction and machinery and equipment investment fell in 1983. Excess capacity, low profit margins, unfavourable balance sheets and high interest rates contributed to the continued weakness of investment. Canada's balance of trade deteriorated in real terms in 1983, as the growth in exports was outpaced by the increase in imports. Reflecting the upturn in output, both employment and productivity increased in 1983, as is normally the case during the early phase of a recovery. Employment was up 0.8 per cent after a decline of 3.3 per cent in 1982, while productivity increased 2.2 per cent, after a fall of 1.2 per cent in 1982. The rate of increase in the CPI fell to 5.8 per cent in 1983 from 10.8 per cent in 1982. Inflation has been decelerating rapidly since the introduction of the federal government's 6&5 program, falling 6.7 percentage points between June 1982 and December 1983. From its peak in June 1981, the rate of inflation declined 8.4 percentage points to the end of 1983.

The strength of the economic recovery in 1983 and the continuing drop in inflation were influenced by the mix of policies being pursued by the federal government. The 6&5 program, introduced in June 1982, assisted in accelerating the reduction in Canadian inflation rates by directly constraining wage and price increases in the federal public sector and by providing a national target that was broadly supported by other Canadian governments and by Canadians generally in their wage and price decisions. This program, together with monetary and fiscal policies that aimed at reducing inflationary pressures in the economy, resulted in a rapid and substantial fall in inflation. This provided room for interest rates to decline from record high levels and helped restore consumer and investor confidence in Canada's economic prospects, thus setting the stage for the subsequent economic recovery.

The recovery was aided by the federal government's Special Recovery Program put in place by the Minister of Finance in the April, 1983 budget. The Minister noted: "This recovery budget, therefore, has two central and inseparable goals. The first is to make sure that recent stirrings of growth pervade the whole economy as quickly as possible. The second is to make the recovery a durable one by beginning immediately to create the conditions required for sustained growth...". The operating principle of the $4.8 billion Special Recovery Program was to accelerate, in the early stages of recovery, public and private investment that would be required during the 1980s. The program provided equal support for private and public investment, but all initiatives were designed to improve the ultimate financial position, growth prospects and job creation capacity of the private sector. Of the $4.8 billion, $2.4 billion was committed by the federal government to build, expand or improve public facilities that directly support private sector investment. To encourage private sector investment, rules for the investment tax credit were liberalized and special financing funds were established to help investment and exports. In addition, an Indexed Securities Investment Plan was announced to remove the distorting effects of inflation from the tax treatment of equity investments, the provisions for the carry-forward or carry-back of business losses were liberalized, particularly for farming, and special initiatives were provided to speed up energy investment and research and development spending by small businesses. These actions provided much-needed short-term measures to stimulate demand at the time of a weakness in economic activity, without forsaking the medium-term framework of deficit management.

Monetary policy was directed at facilitating the reduction of nominal interest rates to levels that would support the recovery and yet would remain consistent with long-run anti-inflationary policy goals. The Bank of Canada abandoned formal monetary targets in November 1982 as it became increasingly clear that M1 – a narrow measure of the money supply defined as currency held outside chartered banks plus demand deposits – had become an ambiguous indicator of liquidity and economic activity. During the past year the Bank focused on a wide range of indicators in determining the day-to-day conduct of monetary policy, including nominal interest rates, the Canada-U.S. exchange rate and trends in economic growth.

International Developments and Policy Environment

Economic policies put in place by the countries of the OECD to deal with the inflationary impact of the second oil price shock of 1979-1980 continued to have favourable impacts in reducing the rate of inflation in 1983. This success was aided in 1983 by the decline in world oil prices. Contrary to the experience of 1982, when inflation fell only at the expense of a decline in output, real growth in the OECD countries was, on average, positive in 1983. However, the number of unemployed in the OECD area increased in 1983, as employment gains were outpaced by labour force growth.

Since peaking in 1980, the rate of inflation in the OECD area has now declined for three consecutive years. For the seven major OECD countries, the average rate of inflation declined 2.2 percentage points in 1981 from its peak of 12.2 per cent in 1980, and fell another 3.1 percentage points in 1982 and 2.4 percentage points in 1983. Over the three-year period to 1983, the inflation rate thus dropped about 8 percentage points to reach 4.5 per cent, the lowest level in 16 years. As shown in Reference Table 91, particularly large declines in the rate of inflation were recorded in the United States, the United Kingdom and Canada over this period. From recent peaks to 1983, the rate of inflation fell by 10.3 percentage points to 3.2 per cent in the U.S., by 13.4 percentage points to 4.6 per cent in the U.K. and by 6.7 percentage points to 5.8 per cent in Canada. The peak in inflation in Canada occurred in 1981 compared to 1980 for most other OECD countries, because of the delayed increase in Canadian energy prices. Germany and Japan continued to record low inflation rates in 1983. On the other hand, France and Italy continued to have high inflation rates, although these rates were somewhat lower than their peaks in 1980.

The period from 1980 to 1983 was one of recession and emerging recovery for most countries in the OECD. The cumulative increase in real GNE in the seven major countries was 5.0 per cent over this four-year period, compared to 17.8 per cent during the preceding four-year period. In 1982, real GNE declined in the U.S., Germany, Italy and Canada, and increased only modestly in Japan, France and the U.K. Although real growth averaged 2.4 per cent in 1983 in the seven major OECD countries, this masks the fact that growth was quite strong in the U.S., Canada and Japan and weak in the European countries. From the fourth quarter of 1982, the trough of the recession, to the fourth quarter of 1983, real GNE increased 6.2 per cent in the U.S. and 6.6 per cent in Canada. On an average annual basis, however, real GNE increased 3.3 per cent in the U.S. and 3.0 per cent in Canada. These significantly lower growth rates on an average annual basis reflect the steepness of the decline in output in these two countries in 1982. Japan and the U.K., which did not experience an economic downturn in 1982, continued to expand at the same pace in 1983 as in 1982 – about 3 per cent and 2 1/2 per cent, respectively. Germany and France posted modest growth rates in 1983. Italy was the only country among the major seven where the 1982 recession continued into 1983.

In 1982, employment declined in all of the seven major OECD countries except Japan. Four of these major countries continued to experience declining employment in 1983, while the U.S., Canada and Japan recorded higher levels of employment. Because of the relative importance of these three countries, overall employment in the seven major OECD countries increased 0.5 per cent in 1983 after declining 0.6 per cent in 1982. The number of unemployed in the seven major OECD countries rose again in 1983 to 32.5 million from 29.9 million in 1982, as the growth in the labour force was larger than the increase in employment. Most of this increase occurred in Europe; in North America, the number of unemployed increased very little in 1983. The average unemployment rate in the seven major OECD countries has increased continuously since 1979, rising 3.5 percentage points over the period to 8.5 per cent in 1983. The annual unemployment rate remained almost unchanged in 1983 in the U.S., Japan and France, but rose in Canada, Italy, Germany and the U.K.

Reflecting the difference between the 2.4-per-cent increase in real GNE and the 0.5-per-cent increase in employment, labour productivity in the seven major OECD countries advanced 1.8 per cent in 1983, a gain of 1.5 percentage points from 1982. After declining by close to 1 per cent in 1982, productivity increased about 2 per cent in both Canada and the U.S. in 1983. Germany was the only other major country to record faster productivity growth in 1983; Japan, France and the U.K. experienced a further increase in productivity, although at a slower pace than in 1982.

Fiscal and monetary policies in the OECD area in general, and the U.S. in particular, explain to a considerable extent the economic developments discussed above. The OECD countries pursued restrictive fiscal and monetary policies to contain the inflationary impacts of the 1979-1980 oil price shock. OECD estimates show that the average budget deficit of the seven major OECD countries, adjusted for the impact of the cyclical decline in output(2), decreased by an amount equivalent to 0.8 percentage points of gross national expenditure/gross domestic product (GNE/GDP) over the 1980 to 1983 period. From 1979 to mid-1982, nominal and real interest rates generally moved upwards in most OECD countries. The maintenance of restrictive policies, together with declines in energy and commodity prices and increasing slack in labour and product markets, were the major contributory factors in slowing inflation from 1980 to 1982. In spite of a resumption in real growth and a large rebound in commodity prices in 1983, the rate of inflation continued to fall rapidly as a result of continued weakness in labour markets, lowered inflationary expectations and some further softening of oil prices.

Two main factors contributed to the recovery in output in 1983: lower inflation and, in this context, a cautiously expansionary monetary policy pursued by the U.S. Federal Reserve Board (FRB). Lower inflation contributed both to a lowering of nominal interest rates, beginning in the second half of 1982, and to increased real personal wealth.

Nominal interest rates fell about 300 basis points in Canada and the U.S. between 1982 and 1983 on an average annual basis. Although there was some upward drift in nominal interest rates towards the latter part of 1983 in both Canada and the U.S., short-term interest rates were more than 500 basis points lower and long-term interest rates more than 300 basis points lower at the end of the year than at their peaks in 1982. These large declines in nominal interest rates were particularly helpful in improving residential construction spending and purchases of durable goods, and in first slowing and then reversing the run-off in inventories. Real interest rates, defined as nominal interest rates minus the current rate of inflation, fell briefly towards the end of 1982 in most major OECD countries, but moved upward again in 1983 as inflation continued to fall.

As was the case in 1982, it is somewhat difficult to interpret the money supply data for 1983 because of shifts in the demand for money in response to institutional and structural changes and financial innovations. With the dropping of monetary targeting in some countries and reduced emphasis on this approach in others, particularly in the U.S., the central banks in the

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(2) The cyclically-adjusted budget balance is the balance that would prevail with existing tax and expenditure structures if the economy were operating at an average level of activity.

OECD countries have generally been analyzing a number of economic indicators, including growth, inflation and the exchange rate as well as the money supply, in setting their monetary policies. Thus, with inflation declining, central banks adopted monetary policies sufficient to allow significant reductions in nominal interest rates to accommodate moderate real growth. However, these policies remained cautious and firmly anti-inflationary, particularly in the U.S., and as a result interest rates still remained high compared to the pre-1979 levels.

The decline in the rate of inflation and the improvement in the stock market have been major factors contributing to a significant increase in real household wealth, which in turn has led to a large increase in consumer spending and a decline in the personal savings rate. Consumer confidence improved in Japan, the U.S., Canada and Europe as indicated by various consumer surveys. These factors have tended to make growth in consumer spending the principal force in the current recovery in the OECD. According to OECD estimates, the upturn in consumer spending is responsible for 2 of the 2.5 percentage point increase in real GNE in the seven major OECD countries in 1983.

In the U.S., relatively high interest rates, rapidly declining inflation and strong economic expansion led to substantial capital inflows, putting further upward pressure on the U.S. dollar in 1983. This strength of the U.S. dollar meant that other OECD countries had to choose between raising interest rates or accepting a depreciation of their currencies. These countries chose a mix of these two responses according to their domestic economic environments. Between December 1982 and December 1983, the U.S. dollar appreciated about 13 per cent against the Deutschemark and the U.K. pound sterling, 19 per cent against the Italian lira and 22 per cent against the French franc. Over the same period, it remained almost unchanged against the Canadian dollar and fell about 3 per cent against the Japanese yen. On the basis of the 15-country trade-weighted indexes of exchange rates developed by Morgan Guaranty Trust, from December 1982 to December 1983 the Japanese yen, the U.S. dollar and the Canadian dollar appreciated by about 9, 7 and 1 per cent, respectively, the Deutschemark was unchanged, the U.K. pound sterling fell marginally and the French franc and the Italian lira declined substantially(3). Over the extended period from 1981 to 1983, the U.S. dollar, the Japanese yen and the Deutschemark appreciated significantly, the Canadian dollar remained relatively stable and the U.K. pound sterling, the French franc and the Italian lira depreciated substantially. According to the 15-country trade-weighted index, the Canadian dollar appreciated slightly more than 1 per cent in 1983 over 1982 (see Chapter 5 for details).

The 1983 Canadian Recovery in a Historical Perspective

Tables 1.2 to 1.4 examine similarities and differences between the 1983 recovery and the first year of earlier recoveries in the postwar period. The data in Table 1.2 show that the 1983 recovery was similar in certain respects to the average experience during the earlier postwar recoveries. First, the 6.6-per-cent increase in real GNE over the four quarters of the 1983 recovery was close to the average 7.0-per-cent increase during the first four quarters of the five previous upturns beginning in 1954, 1958, 1961, 1975 and 1980(4). Second, as in the earlier recoveries, consumer spending, government spending, residential construction, and inventory change made positive contributions to the growth of real GNE during 1983. Third, although business fixed investment did not, on average, have any significant positive or negative impact on growth in the first year of the previous five recoveries, there have been instances in the past when investment declined during the early stages of recovery. For example, investment in both machinery and equipment and non-residential construction fell in the 1957-1958 recovery. Furthermore, on average, investment in machinery and equipment declined in the first year of past recoveries. Fourth, net exports had a negative effect on overall growth in 1983. This was similar to its behaviour on average and during the 1954, 1958 and 1975 recoveries.

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(3) As estimated by Morgan Guaranty Trust Company of New York in their newsletter "World Financial Markets".

(4) The exact timing of the beginning of these upturns on a quarterly basis were: third quarter in 1954, first quarter in 1958, second quarter in 1961, second quarter in 1975, and third quarter in 1980.

Despite the similarities, the 1983 recovery also differed in a number of ways from earlier recoveries, primarily with respect to the contributions of various sectors to the growth of aggregate real GNE. First, the proportion of real GNE growth explained by the change in inventories was significantly larger during the 1983 recovery: 64 per cent compared to the previous maximum of 14 per cent during the 1958 recovery. This contrast is explained by the fact that the run-off in inventories during the 1981-1982 recession was also unprecedented. Second, although consumer

Table 1.3

Canada's Cyclical Experience: Recoveries(1) During 1953-1983

	1954	1958	1961	1975	1980	1983	Average 1954-1981
				(cumulative percentage change)			
Real gross national expenditure	9.4	4.7	9.8	6.0	5.1	6.6	7.0
Consumer expenditure	8.0	6.1	6.4	6.3	3.8	4.4	6.1
Government expenditure	1.6	8.5	8.9	2.7	−0.5	1.2	4.2
Residential construction	28.3	24.1	5.1	30.7	21.4	16.1	21.9
Business fixed investment	−2.9	−8.0	0.5	3.8	10.8	−8.6	0.8
Non-residential construction	4.7	−10.3	0.5	7.2	9.7	−16.0	2.4
Machinery and equipment	−9.7	−4.7	0.5	1.0	11.8	−0.8	−0.2
Inventory change(2)	416	312	572	480	204	5,436	397
Net exports(2)	−24	−292	84	−492	472	−268	−50
Exports	8.3	1.5	3.9	6.2	8.9	21.8	5.8
Imports	7.6	4.4	2.6	6.7	6.6	22.6	5.6
Labour market							
Labour force	2.1	1.3	1.0	3.4	3.1	1.6	2.2
Participation rate(3)	0.0	−0.4	−0.4	0.6	0.8	0.2	0.2
Employment	2.3	0.1	3.5	3.2	3.7	3.5	2.6
Unemployment rate(3)	−0.2	1.1	−2.3	0.2	−0.6	−1.6	−0.4
Costs and prices(4)							
Average compensation	1.3	−0.3	1.9	−3.0	2.9	−4.9	0.6
Productivity	9.0	6.1	7.7	4.6	3.9	3.7	6.3
Unit labour costs	−7.6	−6.4	−5.7	−8.3	−1.5	−8.8	−5.9
Consumer price index	−0.6	−0.1	−1.0	−2.4	3.1	−5.1	−0.2
Non-COLA wage settlements(5)	n.a.	n.a.	n.a.	−4.4	1.4	−3.1	−1.5
Incomes							
Profits before taxes	24.9	22.1	23.4	5.7	0.1	54.9	15.3
Profit share of GNP(3)	1.5	1.5	1.1	−1.1	−1.7	2.5	0.2
Real personal disposable income	8.4	4.0	9.7	4.9	4.2	0.9	6.3
Savings rate	0.4	−1.8	3.0	−0.8	0.1	−2.0	0.2

(1) The exact timings of the six post-war recoveries were: third quarter in 1954; first quarter in 1958; second quarter in 1961; second quarter in 1975; third quarter in 1980; and the first quarter in 1983. Estimates are based on the first four quarters of recovery.

(2) Millions of 1971 dollars.

(3) Change in percentage rate, or per cent share.

(4) Change in year-over-year percentage increase.

(5) Non-COLA wage settlements cover only the period from 1967 onwards.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; *The Labour Force*, monthly, cat. 71-001; *The Consumer Price Index*, monthly, cat. 62-001; Labour Canada, *Labour Data*, quarterly.

expenditure increased strongly in 1983, its contribution to growth matched the previous lowest contribution of 41 per cent during the 1961 recovery and was significantly below the highest contribution of 79 per cent during the 1958 expansion. Whereas the previous recoveries were generally dominated by the strength of consumer spending, the 1983 recovery was primarily led by

Table 1.4

Canada's Cyclical Experience: Recessions(1) During 1953-1983

	1953	1957	1960	1974	1980	1981	Average 1953-1980
			(cumulative percentage change)				
Real gross national expenditure	−2.6	−0.3	−1.1	−0.4	−0.5	−6.5	−1.0
Consumer expenditure	3.2	3.1	0.3	3.1	−0.1	−2.5	1.9
Government expenditure	−1.6	−1.7	11.1	3.7	1.4	3.3	2.6
Residential construction	11.3	−0.9	−16.5	−24.8	−11.2	−27.7	−8.4
Business fixed investment	−4.3	−4.9	−4.9	3.7	0.9	−17.5	−1.9
Non-residential construction	−0.7	7.0	−1.6	6.4	3.0	−11.0	2.8
Machinery and equipment	−7.3	−17.9	−8.7	1.5	−1.0	−23.4	−6.7
Inventory change(2)	−1,100	−2,032	−952	−840	−1,656	−4,692	−1,316
Net exports(2)	52	1,040	252	−1,920	704	3,384	26
Exports	−8.0	−0.3	−0.0	−8.4	−0.8	−9.1	−3.5
Imports	−7.7	−10.2	−2.4	−0.9	−2.6	−17.2	−4.8
Labour market							
Labour force	1.6	4.0	2.4	3.1	1.2	1.2	2.4
Participation rate(2)	−0.4	0.4	0.2	0.3	0.1	−0.7	0.2
Employment	−0.5	1.2	0.5	1.5	0.6	−4.9	0.7
Unemployment rate(3)	2.0	2.6	1.7	1.4	0.5	5.6	1.6
Costs and prices(4)							
Average compensation	−6.2	−5.6	−2.0	5.8	1.1	−3.9	−1.4
Productivity	−7.1	−4.4	−4.2	−2.7	−0.8	−2.1	−3.8
Unit labour costs	1.2	−1.0	2.2	8.9	2.0	−1.6	2.7
Consumer price index	2.4	−0.4	0.3	1.9	0.0	−3.0	0.8
Non-COLA wage settlements(5)	n.a.	n.a.	n.a.	6.6	1.6	−5.4	4.1
Incomes							
Profits before taxes	−13.3	−15.8	−16.7	−5.3	−0.9	−36.7	−10.4
Profit share of GNP(3)	−1.5	−1.9	−1.7	−2.2	−0.7	−4.4	−1.6
Real personal disposable income	−0.9	3.4	−1.0	4.7	1.2	−1.3	1.5
Savings rate(3)	−4.0	0.1	−1.4	1.3	0.7	1.4	−0.6

(1) The exact timings of the six post-war recessions were: third quarter 1953 to second quarter 1954; first quarter 1957 to fourth quarter 1957; second quarter 1960 to first quarter 1961; second quarter 1974 to first quarter 1975; first quarter 1980 to second quarter 1980; and third quarter 1981 to fourth quarter 1982.

(2) Millions of 1971 dollars.

(3) Change in per cent or per cent share.

(4) Change in year-over-year percentage change.

(5) Non-COLA wage settlements cover only the period from 1967 onwards.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; *The Labour Force*, monthly, cat. 71-001; *The Consumer Price Index*, monthly, cat. 62-001; Labour Canada, *Labour Data*, quarterly.

an inventory correction following a sharp recession in which over one-half of the fall in output was due to a run-down in inventories. Third, although the increase in residential construction during the 1983 recovery was substantial, it was still less than during any of the previous recoveries except in 1961. Fourth, although non-residential construction spending fell in the 1958 recovery, it was the only other decline in this type of investment during postwar recoveries and substantially less than the decline recorded in 1983. Finally, the magnitude of the decline in net exports exceeded that experienced in previous recoveries.

Labour market developments during the 1983 recovery were, however, similar to those of earlier recoveries. Although the 1.6-per-cent increase in the labour force during the 1983 recovery was significantly smaller than the average 2.2-per-cent increase in earlier recoveries, it was within the range of past experience (Table 1.3). The employment gain during the 1983 recovery was significantly larger than the average gain, but similar to the increase during the 1961, 1975 and 1980 recoveries. The 1.6-percentage-point decline in the unemployment rate during the course of 1983 was four times larger than the average decline but less than the 2.3-percentage-point decline during the 1961 recovery.

The improvements in profits before taxes, the profit share of GNP and real personal disposable income in the 1983 recovery were completely outside the range of historical experience. To a large extent, these developments during the recovery were heavily influenced by developments during the preceding recession. Profits before taxes had declined 36.7 per cent during the 1981-1982 recession. This was the largest decline of any postwar recession and almost three times the average postwar decline. Similarly, the profit share of GNP had fallen 4.4 percentage points during the 1981-1982 recession, again the largest and more than twice the average postwar decline. Despite the strength of profit growth in the 1983 recovery, profits remained 4.9 per cent below their peak in the fourth quarter of 1980. The proportion of GNP represented by profits – 8.9 per cent in the fourth quarter of 1983 – was also significantly below the 11.4-per-cent average during the 1970s (Table 1.1) and the recent 12.2-per-cent peak in the fourth quarter of 1980. The small increase in real personal disposable income in the recovery was also outside the range of the postwar historical experience. Although the decline in the savings rate during the 1983 recovery was in contrast to the smaller average increase in the savings rate during the past recoveries, the decline and its magnitude were similar to those which occurred in the 1958 recovery.

2. Personal, Housing and Business Sectors

Real consumer expenditure increased 3.1 per cent in 1983, following a decline in 1982, the first in more than three decades. The upturn in consumer spending was concentrated in durable goods, encouraged by sharp declines in inflation and interest rates and by various government and private incentive programs. As is typical in postwar recoveries, the advance in real consumer spending was outpaced by the growth of real GNE. However, the growth in consumption outpaced the increase in personal disposable income, and the personal savings rate fell 2.2 percentage points to 12.9 per cent in 1983. Growth in nominal personal income slowed in 1983 largely as a result of a sharp decline in inflation and interest rates. Real personal income also fell somewhat.

Housing was one of the leading sectors in the recovery in 1983, spurred by such factors as lower and stable interest rates, improved consumer confidence and stimulative government housing programs. The increase in housing starts in the year was entirely accounted for by greater starts of single dwelling units, while starts of multiples declined. The market for existing homes also strengthened in 1983. The increased housing market activity was concentrated in the first half of the year in anticipation of the termination of the Canadian Home Ownership Stimulation Program in May. Activity fell sharply beginning in July but started strengthening again towards the end of the year.

Business investment generally lags an economic recovery and this was also the case in 1983, as real investment fell for the second year in a row. Low rates of capacity utilization, relatively weak balance sheets and continuing high levels of real interest rates were the major factors contributing to the weakness of investment. Non-residential construction spending again declined in 1983, while spending on machinery and equipment turned positive during the year. There was a further small drawdown of inventories for 1983 as a whole, as a decline in the first half of the year was not totally offset by renewed accumulation in the last six months. However, the swing in inventories through the year did contribute significantly to economic recovery.

Personal Sector

Sources of Income

After accelerating from 1977 to 1981, the rate of growth of personal income decelerated in 1982 and 1983 (Table 2.1). All components of personal income registered either slower growth or declined in 1983. The slower growth of nominal personal income in the last two years was mainly a result of substantial declines in the rate of inflation and interest rates. The growth of personal disposable income has lagged that of personal income since 1979 because of increases in average effective federal and provincial tax rates.

After increasing by almost 34 per cent in 1981 and by a further 11.3 per cent in 1982, investment income fell 5.0 per cent in 1983. This was the sharpest swing in the five major components of personal income listed in Table 2.1. Major factors contributing to the turnaround were substantial declines in nominal interest rates and the level of personal savings. The rate of increase in labour income fell in 1983, despite growth in employment, because of a sharp slowing in wage gains. Farm income fell significantly for the second year in a row, but at a slower pace than in 1982. High levels of international food reserves following strong harvests in 1981 and 1982, combined with continued weak growth in world food demand in 1983, acted to hold down farm product prices and revenues, while operating costs continued to grow.

After adjusting nominal income by the implicit price index for consumer expenditure, real personal disposable income declined 0.8 per cent, following a decline of 0.9 per cent in 1982. However, as discussed below, these declines in real personal disposable income appear to be entirely the result of an inflation bias in the conventional measurement of personal investment income.

Personal Expenditure

Real consumer expenditure in 1983 rebounded from its first annual postwar decline in 1982, with a moderate 3.1-per-cent gain (Table 1.1). The increase in real personal spending occurred despite a decline in real disposable income, as consumers reduced their additions to savings by 10.3 per cent.

Table 2.1
Sources and Disposition of Personal Income

	1979	1980	1981	1982	1983
			(percentage change)		
Sources of income					
Labour income(1)	12.4	13.2	15.4	7.5	5.6
Net farm income	5.3	−9.0	40.1	−15.9	−7.9
Net non-farm unincorporated business income	8.7	11.2	13.5	16.5	14.2
Interest, dividends and other investment income	23.2	16.1	33.9	11.3	−5.0
Transfer income	6.6	16.1	14.1	23.5	15.4
Personal income	12.5	13.5	17.7	10.0	5.8
Personal disposable income	12.7	13.3	16.6	9.8	5.1
Personal disposable income in real terms	3.2	2.3	4.5	−0.9	−0.8
Disposition of personal income					
Consumer expenditure	11.4	11.9	13.7	8.4	9.2
Personal direct tax(2)	11.2	14.1	22.4	10.8	8.8
Transfer payments(3)	47.6	29.2	35.5	1.9	−31.7
Savings	18.2	20.7	33.3	19.9	−10.3
			(per cent)		
Effective average tax rate(4)	18.3	18.4	19.1	19.3	19.8

(1) Includes military pay and allowances.
(2) Includes all current transfers to government.
(3) Includes interest on consumer debt and transfers to non-residents.
(4) Calculated as one minus the proportion of personal disposable income to personal income, multiplied by 100.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

The upturn in consumer expenditure, beginning in the fourth quarter of 1982, was encouraged by a sharp decline in interest rates. This reduced the incentive to save and encouraged purchases of durable goods, for which there was a large pent-up demand. In addition, increases in employment and rapid declines in inflation helped boost consumer confidence to its highest level since 1965. Consumer expenditures on durable goods were also encouraged by special financing programs offered by North American passenger car manufacturers, the temporary elimination of the Ontario retail sales tax on selected items and the April 1983 federal budget which allowed the use of funds accumulated in registered homeownership savings plans (RHOSPs) to purchase new furniture and appliances. As a result, real expenditure on consumer durable goods led the growth in real consumption with a 10.7-per-cent increase (Table 2.2). Consumer spending on semi-durable goods and on services showed more modest increases. Real consumer spending on non-durable goods declined marginally, as continued declines in fuel and energy consumption more than offset modest increases in most other non-durable goods.

Table 2.2

Percentage Share and Growth of Consumer Expenditure Categories[1]

	Share of total consumer expenditure				Rate of change			
	Average 1971-1980	1981	1982	1983	Average 1971-1980	1981	1982	1983
	(per cent)				(percentage change)			
Durables	17.0	17.5	16.3	17.6	7.8	1.3	−8.6	10.7
Autos and repairs	7.6	7.1	6.2	7.1	5.7	−1.2	13.4	16.6
Household furniture and appliances	4.2	4.2	3.8	4.1	6.6	0.0	−11.0	11.0
Recreation equipment	5.1	6.3	6.3	6.4	12.5	5.1	−1.6	4.8
Semi-durables	13.6	13.8	13.4	13.3	5.1	2.9	−4.6	2.2
Clothing and footwear	8.2	8.8	8.6	8.6	5.7	4.4	−3.7	2.6
Household furniture	3.6	3.4	3.2	3.2	5.6	−0.5	−7.2	1.7
Books and newspapers	1.2	1.0	1.0	1.0	1.2	1.3	−4.3	−0.2
Jewellery	0.7	0.5	0.5	0.5	4.0	5.3	−3.7	5.1
Non-durables	29.3	27.4	28.0	27.1	3.2	1.0	−0.1	−0.3
Food, beverages and tobacco	19.4	17.8	18.2	17.7	2.6	1.6	0.1	0.3
Gasoline, oil and grease	2.9	2.8	2.6	2.4	5.2	−2.6	−8.2	−3.2
Household supplies	1.4	1.3	1.3	1.3	4.6	0.3	−2.6	−0.7
Drugs and sundries	1.5	1.7	1.8	1.8	7.3	5.3	4.3	1.1
Electricity and gas	3.1	2.8	2.9	2.8	2.3	−3.0	3.9	−3.1
Toilet articles	1.0	1.1	1.2	1.2	7.5	5.0	2.7	2.5
Services	40.1	41.3	42.2	42.0	4.5	2.4	0.1	2.5
Transportation and communications	4.9	5.5	5.6	5.5	7.1	2.3	−1.5	1.2
Rent	14.8	15.7	16.5	16.4	4.0	3.8	3.3	2.5
Household	0.9	0.8	0.8	0.9	−0.1	−0.9	3.4	6.5
Medical	1.6	1.7	1.7	1.7	1.7	2.8	0.3	1.1
Personal	11.0	10.9	10.5	10.2	4.1	0.9	−5.7	0.1
Recreational, educational and other	6.9	6.8	7.1	7.3	6.3	1.8	3.0	5.3
Consumer expenditure	100.0	100.0	100.0	100.0	4.7	1.9	−2.1	3.1

[1] All estimates are obtained using consumer expenditures in constant 1971 dollars.

Source: Statistics Canada, *National Income and Expenditure Accounts*, annual, cat. 13-201.

Table 2.3

Historical Cyclical Behaviour(1) of Real Personal Expenditures, Disposable Income and Savings

	1983 Recovery	1981-1982 Recession	Extent of recovery(2)	Average postwar recovery excluding 1983	Average postwar recession excluding 1981-1982
	(cumulative percentage change unless otherwise specified)				
Real GNE	6.6	–6.5	91	7.0	–1.0
Real personal expenditure	4.4	–2.5	156	6.1	1.9
Durables	14.7	–10.5	122	13.0	–1.6
Semi-durables	4.3	–5.6	35	5.6	0.8
Non-durables	1.0	–0.4	416	4.3	2.8
Services	2.6	0.6	n.a.	5.5	3.1
Real personal disposable income					
Actual	0.9	–1.3	69	6.3	1.5
Inflation-adjusted	3.3	5.2	n.a.	4.0(3)	5.7(2)
Personal savings rate (percentage point change)	–2.0	1.4	n.a.	0.2	–0.6

(1) See Table 1.2 for dating of various recoveries and recessions.

(2) Increase during the recovery as a percentage of the decline during the 1981-1982 recession.

(3) Covers only the 1974-1976 and 1979-1982 cycles.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; *Financial Flow Accounts*, quarterly, cat. 13-002; and Department of Finance estimates.

Despite the severity of the 1981-1982 recession, certain aspects of the recovery in real consumer expenditure during 1983 were similar to those of most postwar recoveries, as indicated in Table 2.3. Real consumer spending in 1983 increased less than real GNE, as was the case in most postwar recoveries. In addition, the distribution of growth of real personal expenditure in the 1983 recovery was similar to previous recoveries, with expenditure on durables far outpacing the moderate growth in other forms of consumption – semi-durables, services and non-durables.

A number of differences between the 1983 and earlier postwar recoveries may be noted. In 1983, the growth of real expenditures on categories other than durables was significantly weaker than usual for postwar recoveries. Furthermore, the contribution of consumer spending to growth was one of the smallest in postwar recoveries, explaining only 42 per cent of the increase in output in 1983 compared to an average contribution in previous recoveries of 56 per cent and the highest contribution of 79 per cent during the 1958 expansion. Unlike previous recoveries, when real disposable income grew rapidly and often outpaced personal expenditure, real disposable income in the 1983 recovery increased marginally. The personal savings rate declined, rather than showing little change on average as was typical in past recoveries. However, there is reason to believe that the recent sharp decline in inflation contributed a downward bias to the conventional measures of the growth of real disposable income and personal savings. The inflation-adjusted measure of real disposable income, corrected for this bias, indicates a relatively strong growth in disposable income in the 1983 recovery.

Inflation-Adjusted Personal Income and Savings

Personal income and savings are overstated during periods of inflation as a result of an inflation bias in measuring investment income received, and interest payments made, by the personal sector. This is because conventional measures of interest income and interest costs ignore the capital losses to lenders and capital gains to borrowers that occur as a result of the inflation-induced decline in the purchasing power of the principal. For analytical purposes these capital losses or gains should be excluded from personal investment income or personal borrowing costs to obtain a consistent measure of income and savings over time.

Table 2.4 explains the methodology used to calculate inflation-adjusted estimates. Estimates of investment income, and thus total personal income, are changed by inflation adjustment. For a representative individual in the example, inflation adjustment lowers investment income from $1,652 to $551 in 1983. As indicated at the bottom of Table 2.4, this inflation-adjusted estimate of investment income is obtained by multiplying the individual's gross stock of financial assets ($23,491) by the year-over-year rate of inflation (4.6 per cent) and subtracting the result from his measured income. This adjustment recognizes that some $1,100 of the "investment income" received is, in fact, required to maintain the real purchasing power of existing financial assets. In the calculation of inflation-adjusted real personal disposable income, all other steps are the same as in calculating unadjusted income.

The level of savings is similarly affected by inflation adjustment. Since interest payments on consumer debt are subtracted from personal disposable income to obtain savings, these interest payments also need to be inflation-adjusted. A simpler way is to use net financial assets, defined as gross assets minus consumer debt, multiplying it by the rate of inflation and subtracting the result from savings to obtain an inflation-adjusted estimate. This is how an inflation-adjusted estimate of savings of $2,790 is obtained for 1983 for the representative individual. The inflation-adjusted savings rate is then obtained by simply dividing inflation-adjusted savings by the inflation-adjusted personal disposable income.

The inflation-adjusted estimates(1) for the total personal sector for the period 1964-1983 are provided in Table 2.5. By comparing the unadjusted and adjusted measures of the savings rate in Table 2.5 it can be seen that, to a considerable extent, the increase in the measured savings rate since 1973 can be explained by the large increase in the inflation rate over the period. However, since 1980 there has also been a strong increase in the inflation-adjusted savings rate, corresponding to an upward shift in real interest rates, which helped to divert personal income away from personal expenditures and towards financial investments or towards reducing personal debt and mortgages. The inflation-adjusted savings rate actually increased in 1983 whereas the measured savings rate declined significantly.

In addition, the growth rates of personal investment income and disposable income and the increase in the personal savings rate are understated during periods of decelerating inflation. This distorts the analysis of the personal sector for 1982 and 1983, when sharp drops in inflation occurred. For example, measured investment income fell from $42.4 billion in 1982 to $40.3 billion in 1983. However, the inflation-adjusted estimate of investment income increased from $0.1 billion to $19.8 billion over the same period (Table 2.4). Inflation-adjusted real disposable income thus increased 9.9 per cent in 1983 compared to a 0.8-per-cent decline in the unadjusted measure. This was the strongest growth in inflation-adjusted real disposable income since 1975, and was more than three times the growth of real consumption in the year. As a result, the inflation-adjusted savings rate increased, contrary to the decline shown by the unadjusted measure.

The inference from the inflation-adjusted data, therefore, is that the strong growth in inflation-

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(1) For details on the methodology underlying the calculation of inflation-adjusted estimates, see the *Economic Review* of 1982 and 1983.

Table 2.4

An Example of Inflation Adjustment of Savings and Disposable Income

	Representative individual		Total personal sector	
	Measured	Inflation-adjusted	Measured	Inflation-adjusted
	(dollars)		(billions of dollars)	
Non-investment personal income				
1982	30,000	30,000	273.9	273.9
1983	31,500	31,500	294.4	294.4
Percentage change	5.0	5.0	7.5	7.5
Investment income(1)				
1982	2,300	260(2)	42.4	0.1(2)
1983	1,652	551	40.3	19.8
Percentage change	−28.1	111.8	−5.0	*
Total personal income				
1982	32,300	30,260	316.3	273.8
1983	33,152	32,051	334.7	314.2
Percentage change	2.6	5.9	5.8	14.8
Taxes(4)				
1982	6,202	6,202	61.0	61.0
1983	6,564	6,564	66.4	66.4
Percentage change	5.8	5.8	8.8	8.8
Personal disposable income				
1982	26,098	24,058	255.3	212.9
1983	26,588	25,487	268.4	247.8
Percentage change	1.9	5.9	5.1	16.3
Real personal disposable income(5)				
1982	10,100	9,310	98.8	82.4
1983	9,714	9,312	98.1	90.6
Percentage change	−3.8	0.0	−0.8	9.9
Savings				
1982	3,941	2,921(3)	38.5	18.5(3)
1983	3,429	2,790	34.6	24.2
Percentage change	−13.0	−4.4	−10.3	30.9
Savings rate (per cent)				
1982	15.1	12.1	15.1	8.7
1983	12.9	10.9	12.9	9.8
Percentage point change	−2.2	−1.2	−2.2	1.1
Memorandum Items				
Gross financial assets (at beginning of year)				
1982	20,000		414.4	
1983	23,941		448.0	
Net financial assets (excluding financial debts, at beginning of year)				
1982	10,000		196.2	
1983	13,941		226.8	
Rate of inflation(6) (per cent)				
1982	10.2		10.2	
1983	4.6		4.6	

* Percentage figure unrepresentative.

(1) Investment income for the representative individual is calculated using gross financial assets (see bottom of table) and interest rates of 11.5 per cent and 6.9 per cent on non-chequable savings deposits for 1982 and 1983, respectively.

(2) Obtained by multiplying gross financial assets by the rate of inflation (which is the loss in the value of assets) and subtracting it from measured investment income.

(3) Obtained by multiplying *net* financial assets by the rate of inflation and subtracting it from measured savings. Net financial assets are used since interest payments on debts are part of consumer expenditure.

(4) Measured income multiplied by the average effective tax rate from Table 2.1.

(5) Adjusted by the consumer expenditure deflator.

(6) Fourth-quarter over fourth-quarter increase in the consumer expenditure deflator.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; *Financial Flow Accounts*, quarterly, cat. 13-002; and Department of Finance.

Table 2.5

Inflation-Adjusted Personal Savings Rate and Real Personal Disposable Income(1)

	Real personal disposable income		Savings rate	
	Unadjusted	Adjusted	Unadjusted	Adjusted
	(percentage change)		(per cent)	
1964	4.7	4.2	4.2	2.8
1965	7.6	6.4	5.5	3.6
1966	6.5	4.1	6.7	3.8
1967	4.5	4.5	6.3	3.4
1968	4.2	3.1	5.6	2.1
1969	4.7	4.9	5.4	2.1
1970	2.4	5.1	5.3	3.4
1971	8.4	7.5	5.9	3.6
1972	9.3	6.8	7.4	4.2
1973	9.1	1.5	9.0	2.9
1974	6.6	−0.2	9.9	1.1
1975	6.2	14.3	10.9	5.5
1976	4.4	7.5	9.3	5.1
1977	2.2	−1.4	9.1	3.9
1978	4.8	6.6	10.8	6.6
1979	3.2	−0.8	11.3	5.8
1980	2.3	0.0	12.1	5.4
1981	4.5	5.1	13.8	7.5
1982	−0.9	−0.7	15.1	8.7
1983	−0.8	9.9	12.9	9.7
Average				
1964-1972	5.8	5.2	5.8	3.2
1973-1983	3.7	3.8	11.3	5.7

(1) Using the deflator for consumer expenditure on goods and services.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; *Financial Flow Accounts*, quarterly, cat. 13-002; and Department of Finance estimates.

adjusted real disposable income, as a result of the deceleration in inflation, was a major factor in the increase in real consumer expenditure in 1983. Consumers were, in fact, cautious in their spending patterns in 1983, given the strong growth in adjusted real disposable income. This perception is very different from the one that emerges using conventional measures of personal income and savings, which indicates that consumers dug into their savings to increase real personal expenditure.

Housing Sector

Housing was one of the leading sectors of recovery in 1983, as real residential investment rose 27.6 per cent following a decline of a similar magnitude in 1982 (Table 2.6). Total housing starts rose 29.2 per cent to 162,645 units, from 125,860 units in 1982, with most of the strength concentrated in the first half of the year (Chart 2.1). The recovery in the market for existing homes was similar in strength and pattern. Fac-

Table 2.6
New Housing Indicators

	1979	1980	1981	1982	1983
			(percentage change)		
Real residential construction expenditure	−2.7	−5.8	5.1	−23.1	27.6
			(thousands)		
Housing starts	197.0	158.6	178.0	125.9	162.6
Urban– Singles	72.9	60.7	63.4	39.1	77.6
Multiples	78.8	64.3	79.0	65.7	56.6
Total	151.7	125.0	142.4	104.8	134.2
			(per cent)		
Conventional mortgage rate	12.0	14.3	18.2	17.9	13.3

Source: Statistics Canada, *Canadian Statistical Review*, monthly, cat. 11-003; Bank of Canada, *Review*, monthly; and Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*, annual.

tors behind the revival of the housing market include the moderation and stability of mortgage rates in 1983, the general improvement in consumer confidence during the year, the federal government's Canadian home ownership stimulation program (CHOSP) and the Canadian rental supply plan, and a number of provincial incentive programs.

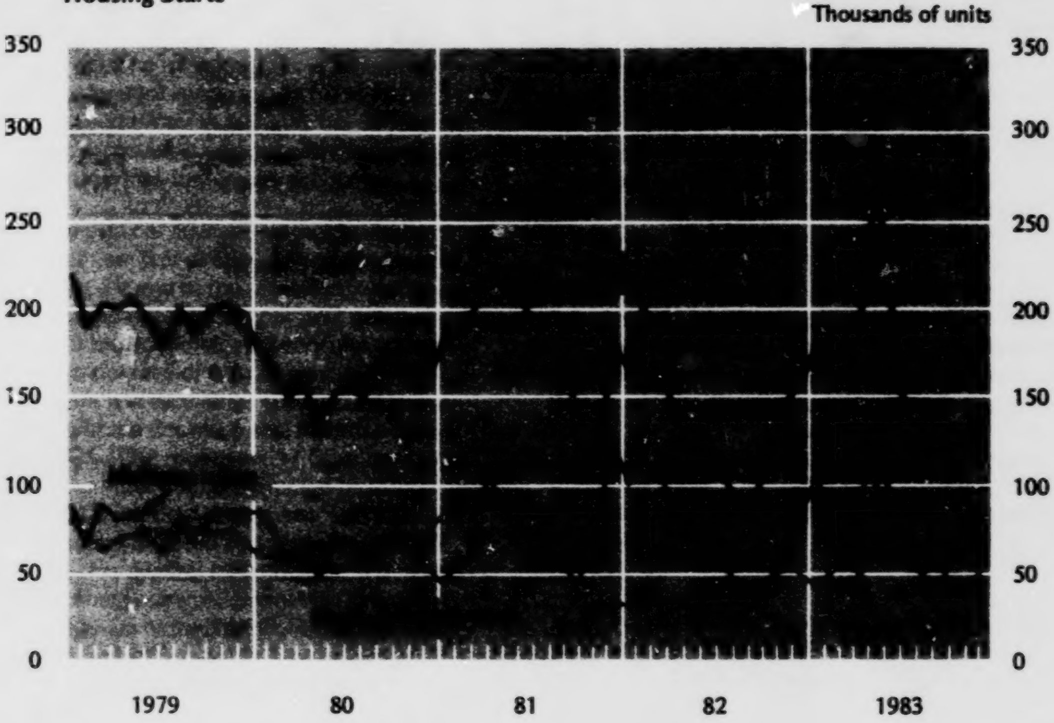
The increase in housing starts in the year was accounted for entirely by greater starts of single dwelling units. In urban areas, single dwelling starts reached 77,579 units, almost double that of the previous year. This large increase occurred partly because of the strong impact of CHOSP on this sector of the market. In addition, inventories of newly completed but unoccupied dwellings had fallen over 40 per cent during 1982 and builders were prepared to increase construction as soon as the increase in demand became apparent. New construction, which had initially strengthened in the fourth quarter of 1982, was particularly strong in the second quarter of 1983 when a very high and unsustainable level of housing starts was induced by the impending termination of CHOSP. Due to the forward building at this time, starts of single dwelling units slowed considerably through the summer before increasing again in November and December.

Starts of multiple dwelling units were not affected by CHOSP to as great an extent as single dwelling units because a large proportion of single dwellings are owned, whereas only a small proportion of multiple units are built for occupant-ownership. In addition, the 69-per-cent increase in inventories of newly completed but unoccupied multiple dwellings during 1982 was a restraining factor on new construction in early 1983. However, multiple starts strengthened around the middle of the year as inventories began to decline in the face of stronger demand. Urban multiple starts in 1983 were 14 per cent below the 1982 level.

Activity in the market for existing homes also strengthened during 1983. The number of units sold through multiple listing services rose 16 per cent from 1982 and, in the fourth quarter of 1983, the average house price had risen 6 per cent on a year-over-year basis after declining in 1982.

Chart 2.1

Housing Starts



Source: Canada Mortgage and Housing Corporation, *Monthly Housing Statistics.*

Residential construction is very cyclically sensitive and typically plays a large part in recoveries. Its 16.1-per-cent increase during the four quarters of the 1983 recovery (Table 2.7) was substantial, but less than during any of the previous postwar recoveries except that of 1961.

Business Sector

Fixed Investment

Real business investment in plant and equipment acted as a drag on the recovery in 1983 as it declined 12.2 per cent on an annual basis and 8.6 per cent from the fourth quarter of 1982 to the fourth quarter of 1983 (Tables 1.1 to 1.4). This followed the previous postwar record declines of 11.2 per cent in calendar 1982 and 17.5 per cent during the 1981-1982 recession. Despite these consecutive declines, business fixed investment as a share of GNE was 13.3 per cent in 1983, close to its average for the 1970s, partly because of the strength of the investment boom prior to the recession; the share was, however, down from its record high of 16.8 per cent in 1981.

The decline in investment, which began in the latter half of 1981, continued through most of 1982 and into 1983. The declines in 1983 were not unexpected, given that investment generally lags economic recovery, and especially in light of the continuing low rates of capacity utilization, relatively weak balance sheets, and continuing high levels of real interest rates. The capacity utilization rate in the manufacturing sector did rise from 63.5 per cent at the end of 1982 to 72.4 per cent at the end of 1983, but remained much below the recent peak utilization rate of almost 87 per cent and the 1961-1980 average of 84 per cent.

Table 2.7

Historical Cyclical Behaviour of Business Sector Indicators

	1983 Recovery	1981-1982 Recession	Average postwar recovery excluding 1983	Average postwar recession excluding 1981-1982
	(percentage change)			
Gross national expenditure	6.6	−6.5	7.0	−1.0
Residential construction	16.1	−27.7	21.9	−8.4
Business fixed investment	−8.6	−17.5	0.8	−1.9
Non-residential construction	−16.0	−11.0	2.4	2.8
Machinery and equipment	−0.8	−23.4	−0.2	−6.7
Business fixed investment excluding energy sector	−8.8	−24.3	1.6	−5.0
Profits before taxes	54.9	−36.7	15.3	−10.4
	(absolute change in millions of 1971 dollars)			
Change in inventories	5,436	−4,692	397	−1,316
	(ratio change)			
Inventory-to-sales ratio	−0.07	−0.03	−0.06	0.06
	(percentage point change)			
Profit share in GNP	2.5	−4.4	0.2	−1.6

Note: For timing of cycles, see footnote to Table 1.2.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; and Department of Finance.

According to the survey of capital spending intentions taken in mid-1983, the business sector expected to decrease nominal capital spending by 7.4 per cent. In fact, actual total business fixed investment expenditures declined by 9.2 per cent in 1983. Non-residential spending and machinery and equipment outlays fell 12.3 per cent and 5.9 per cent, respectively.

The weakness in investment spending was seen in both the energy and non-energy sectors. Energy investment fell 11.7 per cent while non-energy investment declined 9.2 per cent in 1983 (Table 2.8). Within the energy sector, a small increase in expenditures for gas distribution was more than offset by declines in pipelines, electric power and petroleum and gas extraction and petroleum and coal products. Within the non-energy sector, the goods-producing sector typically exhibits greater cyclical volatility than other sectors. Investment in this sector fell a substantial 12.7 per cent, while services sector investment declined 5.3 per cent. Within the goods-producing sector, the largest decline occurred in the manufacturing sector, particularly in the wood, paper, furniture, rubber, petroleum and coal, primary metals and machinery industries. Utilization rates in the latter two industries approached 50 per cent in the first quarter of 1983. Since their production is largely directed towards capital goods for which no significant strengthening of demand was anticipated in the near term, capital formation fell. The large declines in investment seen in the forestry sector in 1981 and 1982 moderated somewhat in 1983, as the outlook for the sector improved in response to more stable international prices for forestry products.

The recent cyclical downturn in real business fixed investment has already extended four quarters beyond the end of the recession. Real investment spending declined 8.6 per cent during the first year of the economic recovery, compared to an average increase of 0.8 per cent in the five previous postwar recoveries (Table 2.7). The magnitude of the decline in real investment during the 1981-1982 recession, 17.5 per cent, was also much greater than the average historical decline of 1.9 per cent. The investment cycles in the 1970s were affected by substantial expansion in the non-cyclical energy sector. Investment excluding energy spending generally shows a stronger cyclical pattern of decreases in the recessions and increases during recoveries, although it still declined in 1983.

The unusual weakness of business fixed investment in the 1981-1982 recession and in the 1983 recovery followed the strong boom during the 1980-1981 recovery, when it increased 10.8 per cent, significantly more than the average 0.8-per-cent increase during postwar recoveries. Machinery and equipment investment during 1980-1981 was up 11.8 per cent and non-residential construction spending increased 9.7 per cent compared to the postwar average change in the first year of the recovery of a decline of 0.2 per cent and an increase of 2.4 per cent, respectively. Even excluding the energy sector, the 1980-1981 pick-up in investment spending was much larger than average. Given this unusual strength in the earlier period, the recent declines were not unexpected.

To offset the weakness in investment, the April 1983 budget introduced a Special Recovery Program involving $4.8 billion in federal investment support. The purpose of this national investment program was to strengthen the structure of the Canadian economy and to raise its growth potential. Its operating principle was to undertake, in the early stages of recovery, investment that would be required during the 1980s. The program provided equal support for private and public investment, but all initiatives were designed ultimately to improve the financial position, growth prospects and job creation capacity of the private sector. Of the $4.8 billion, $2.4 billion was committed by the federal government to build, expand or improve public facilities that directly support private sector expansion. To encourage private sector investment, the following measures were undertaken.

- For eligible investments, limits on the extent to which unused investment tax credits could be applied to reduce income taxes were removed. Further, the carry-forward or backward limits for tax credits were extended.

- Those firms which were not paying taxes, and therefore could not use tax credits, were to be refunded portions of their investment tax credits (40 per cent for small business and 20 per cent for others) directly.

- A Special Recovery Share-Purchase Tax Credit was established to allow the flow-out of earned tax credits to the purchasers of new equity issues.

- A Special Recovery Investment Fund and a Special Recovery Export Financing Fund were set up.

In addition to the private investment support measures introduced as part of the Special Recovery Program:

- an Indexed Securities Investment Plan was announced to further remove the distorting effects of inflation from the tax system;

- the provisions for the carrying back or forward of business losses, particularly for farming, were liberalized;

- the reintroduction of the incremental oil revenue tax on conventional oil was deferred;

- the 33 1/3-per-cent depletion allowance for mining exploration was made deductible against the non-resource income of mining investors;

- the role of the Federal Business Development Bank in advising small businesses on their total

Table 2.8

New Business Capital Expenditure(1)
(Current Dollars)

	Share of total in 1983	1981	1982	1983
	(per cent)	(percentage change)		
Non-energy				
Agriculture and fishing	9.1	8.8	– 10.7	4.6
Mining	5.1	35.7	– 1.7	– 13.9
Forestry	0.3	– 17.9	– 47.5	– 2.5
Manufacturing	16.2	26.2	– 13.7	– 21.4
Construction	2.6	17.7	– 0.9	0.2
Total goods-producing sector	33.3	21.6	– 11.0	– 12.7
Transportation, storage and communication	13.2	19.5	2.4	– 5.2
Trade	3.9	15.6	– 3.1	0.6
Finance, insurance and real estate	6.9	22.0	– 11.3	– 12.1
Community, business and personal services	7.9	7.9	– 10.7	– 1.7
Total services sector	31.9	16.5	– 5.0	– 5.3
Total non-energy	65.3	19.2	– 8.3	– 9.2
Energy				
Electric power	16.7	19.8	14.9	– 1.2
Petroleum and gas extraction	14.3	12.4	5.8	– 4.7
Pipelines	1.3	190.0	14.2	– 68.4
Gas distribution	1.1	5.8	26.6	1.5
Petroleum and coal products	1.5	160.2	44.9	– 40.0
Total energy	34.7	26.9	12.9	– 11.7
Total	100.0	21.5	– 1.7	– 10.1

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(1) The private and public investment estimates are slightly different from the national accounts estimates of investment because of the different conceptual treatment of real estate commissions, used assets exported, net sales of used motor vehicles and scrap and salvage allowances.

Source: Statistics Canada, *Private and Public Investment in Canada*, annual, cat. 61-206.

financial needs and assisting them in meeting these needs was expanded; and

- new provisions were announced to help firms, particularly smaller firms, to finance their research and development ventures, costing federal and provincial governments some $185 million in the first full year of their application.

Inventories

Following a reduction of $3.4 billion in 1982, real non-farm business inventories declined a further $99 million in 1983 (Table 1.1). These drawdowns lasted seven quarters and totalled $4.3 billion, far in excess of any previous cyclical change. Inventory accumulation resumed in the third quarter of 1983 and was a significant contributor to real GNE growth, not only because it was a source of demand, but also because the growth in final demand in the economy could now be met by increases in production. However, inventories grew at approximately the same pace as sales, and the inventory-to-sales ratio, which had plummeted from 0.93 in the first quarter of 1982 to 0.79 in the second quarter of 1983, remained near its trough value for the remainder of the year. In particular, the inventory-to-shipments ratio in manufacturing remained low in the second half of the year.

In terms of sectoral developments, the retail sector was the first to accumulate stocks, particularly in automobiles, as production resumed in the first quarter. Manufacturing and wholesale inventory drawdowns, concentrated in durable goods, continued in the first half of the year but these sectors were building inventory in the second half of 1983. Inventory accumulation in wood and automobile industries contributed mainly to a positive change in the manufacturing sector, while automobile inventory build-up was also important at the wholesale level.

The economic recovery during 1983 was notable for the very large contribution to growth made by inventories. The absolute change from the large decumulation in the fourth quarter of 1982 to the accumulation in the fourth quarter of 1983 accounted for 64 per cent of the growth in GNE over this period compared to a previous cyclical maximum of 14 per cent in 1958.

The inventory-to-sales ratio declined from 0.86 to 0.79 or .07 points (Chart 2.2) from the fourth quarter of 1982 to the fourth quarter of 1983 (Table 2.7), similar to the average decline of 0.06 points in previous recoveries. Despite the large contribution to real GNE growth made by the absolute change in inventories, the stock of inventories did not keep pace with sales over this period because there were further drawdowns in the first half of the year before accumulation began. Both the peak and trough of the inventory series lagged the overall cycle by fairly typical periods of two and three quarters respectively. It is too early to determine whether the trough of the inventory-to-sales ratio has been reached. There may be some hesitancy in the recovery of this ratio because of reaction to the very high level of stocks which had to be financed during the recession and also due to some business uncertainty as to the strength of demand in the near term. The severity of the recession and the substantial inventory drawdown that resulted may also have caused a structural shift in the inventory-to-sales ratio to a lower level.

Corporate Profits

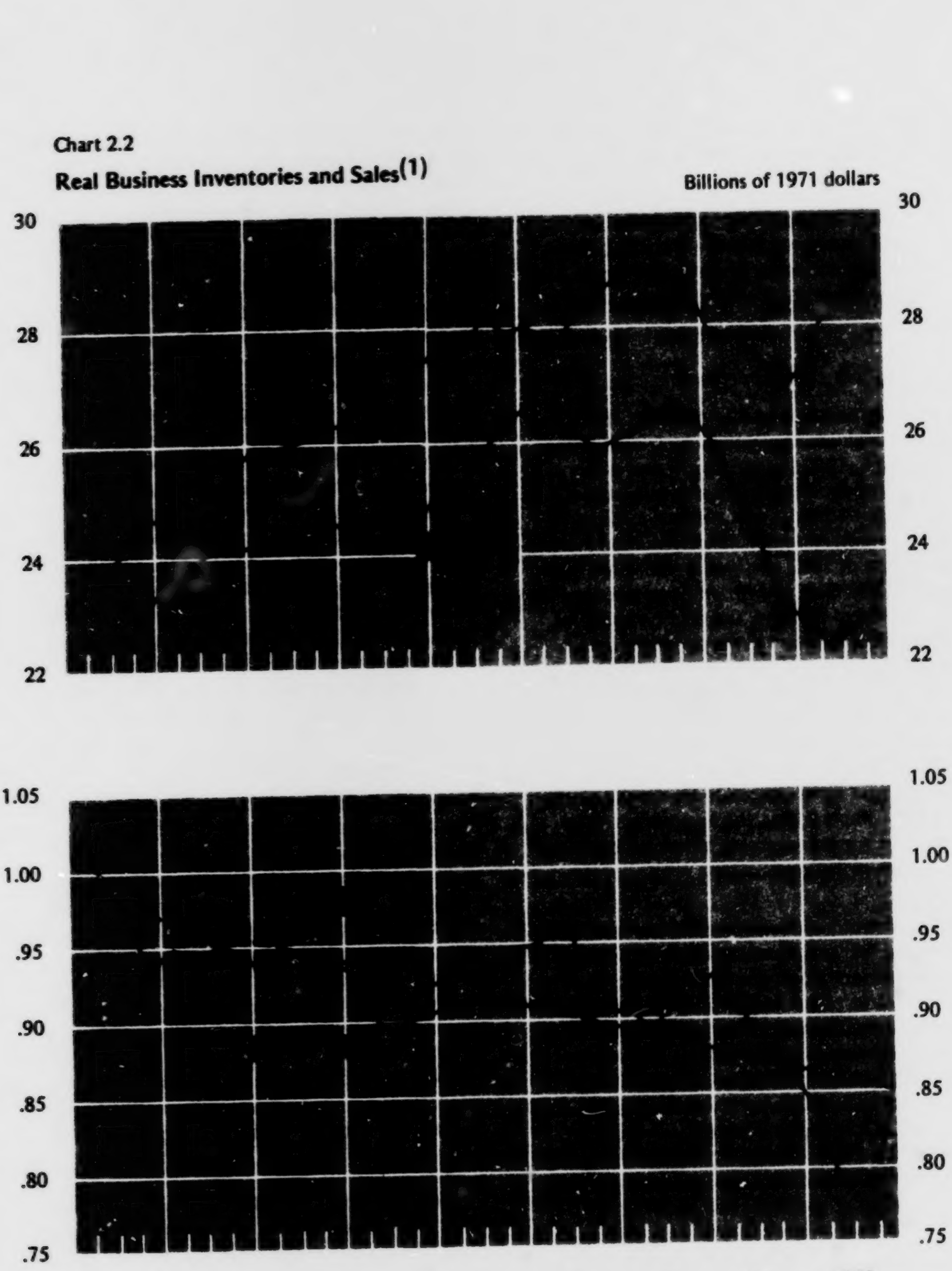
Corporate profits before taxes rose 52.8 per cent on a national accounts basis in 1983, following declines of 11.4 per cent in 1981 and 36.1 per cent in 1982 (Table 1.1). The recovery in profits, which commenced in the fourth quarter of 1982 and continued throughout 1983, followed an unprecedented decline for seven consecutive quarters. Ninety-five per cent of the sharp fall in the level of profits was recouped by the fourth quarter of 1983 (Table 2.7). Profits as a share of GNP strengthened to 8.3 per cent in 1983 from 5.9 per cent in 1982. The major contributing factors included lower interest costs, moderation in unit labour cost increases and the general recovery in demand.

Pre-tax profit margins of Canadian industrial corporations, including both large and small firms, rose from 3.8 per cent on average in 1982 to 5.2 per cent in 1983. When only large industrial corporations are considered, the profit margin rose from 4.5 per cent to 6.3 per cent over this period (Table 2.9).

Reduced interest costs, arising largely from lower interest rates, played an important role in increasing profits of large corporations. The

Chart 2.2

Real Business Inventories and Sales(1)



(1) Sales include consumer expenditure on goods, business investment (including residential construction), exports of goods, government non-wage current expenditure, and government investment.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001, and Department of Finance.

Table 2.9
Selected Financial Ratios[1] of Large Industrial Corporations

	1978	1979	1980	1981	1982	1983
(ratio)						
Internal funds[2]/capital outlays	0.99	0.85	0.76	0.46	0.41	0.84
Current assets/current liabilities	1.66	1.62	1.60	1.52	1.41	1.43
Current assets minus inventories/current liabilities	0.94	0.92	0.89	0.83	0.76	0.81
Total debt/equity	1.24	1.28	1.26	1.38	1.53	1.42
(per cent)						
Pre-tax profit margin on sales[3]	7.7	9.8	9.8	8.1	4.5	6.3
Interest burden[4]	28.5	24.8	27.4	40.2	65.1	49.9

[1] Ratios in the upper part of the table are calculated for the third quarter of each year; those in the lower part of the table are averages for the first three quarters of each year.

[2] Internal funds are equal to the sum of net income after taxes and dividends (i.e. retained earnings), plus depreciation and depletion allowances.

[3] Defined as income before provision for income taxes divided by sales of goods and services.

[4] Defined as interest payments on short- and long-term debt divided by net income adjusted to include interest payments.

Source: Statistics Canada, *Industrial Corporations: Financial Statistics*, quarterly, cat. 61-003; and Department of Finance.

interest burden of large industrial corporations (defined as the ratio of interest expenses to net income adjusted to include interest expenses) fell from 65 per cent on average in 1982 to 50 per cent in 1983. Over one-quarter of the profit gain of these corporations was due to lower interest costs. The rise in other components of operating expenses was kept under tight control by stringent cost-cutting measures implemented in 1982, as well as by the price and wage developments during the year.

On a sectoral basis, the increase in profit margins in 1983 was greatest in mining and manufacturing. Metal mines recovered from a loss position throughout 1982 to positive profit margins, while profit margins in the petroleum industry rose after falling slightly in 1982. Within manufacturing, the wood, paper and primary metals industries recovered from losses sustained during much of 1982, while textiles, machinery, transportation equipment and trade recorded fairly substantial improvements in profit margins. In general, the recovery in profits in 1983 was widespread across industries and among small and large corporations, reflecting the fundamental cost-cutting actions and productivity improvements which characterized the recovery.

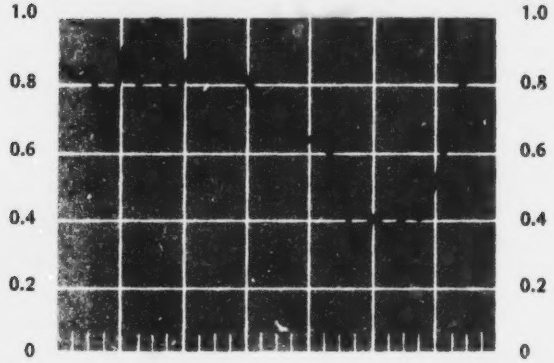
When compared with the historical behaviour of profits during recoveries, the current growth of 54.9 per cent is substantially above the average 15.3 per cent. This is a reflection of the much larger decline in profits in the 1981-1982 recession – 36.7 per cent – compared to the average 10.4 per cent in earlier recessions. The proportion of the decline in profits recovered during the first year of the 1983 recovery, at 95 per cent, compares favourably with the average of 80 per cent during the previous five postwar recoveries. The current 2.5-percentage-point recovery in the profit share of GNP was also much above the historical average of 0.2 per cent.

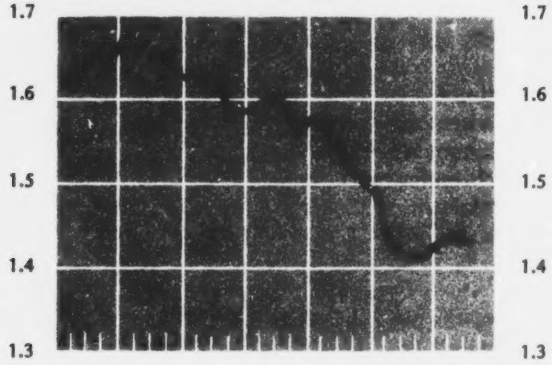
Corporate Financial Strength

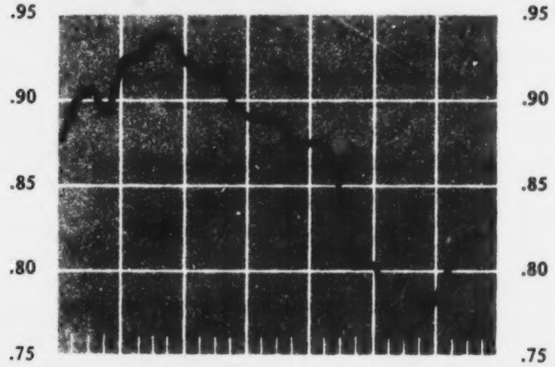
Corporate balance sheets deteriorated rapidly through the 1981-1982 recession, and a restructuring began in late 1982 which continued throughout 1983 (Chart 2.3). This process is a prerequisite to renewed growth and investment of firms; progress is often measured through ratios of liquidity and leverage.

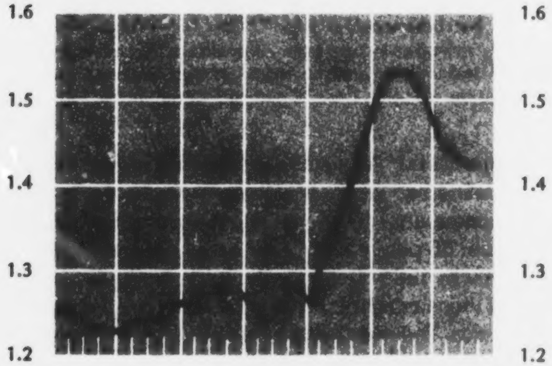
Chart 2.3

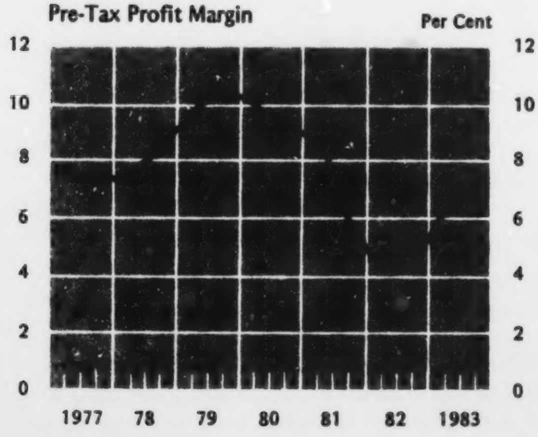
Selected Financial Rates of Large Industrial Corporations

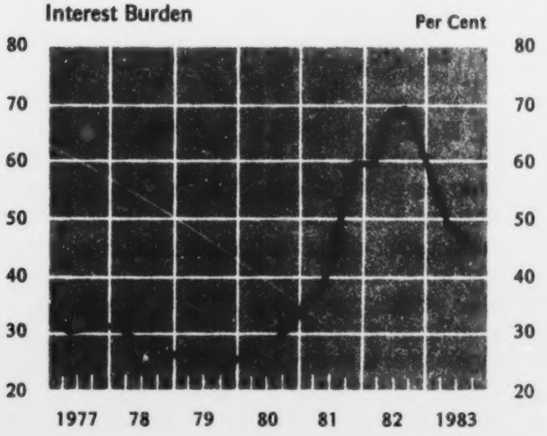

Internal Funds to Capital Outlays Ratio


Current Assets to Current Liabilities Ratio


Current Assets Minus Inventories to Current Liabilities Ratio


Total Debt to Equity Ratio


Pre-Tax Profit Margin


Interest Burden

Source: Statistics Canada, *Industrial Corporation Financial Statistics*, quarterly, cat. 16-791; and Department of Finance.

At the beginning of this restructuring period, current liabilities fell rapidly as firms paid off or refinanced short-term borrowing obtained during the recession when conditions were not favourable for long-term financing and the need for inventory financing was high. Initially, current assets also declined as firms used their available cash almost exclusively to reduce liabilities, but by mid-1983 there was a moderate accumulation of short-term deposits and other financial investments, partly aided by measures contained in the April 1983 budget which resulted in a decline in taxes as a proportion of income (Table 2.10). These actions improved the liquidity position of firms – their ability to meet their near-term obligations. The working capital ratio (the ratio of current assets to current liabilities), which had declined from 1.57 in the first quarter of 1981 to a trough of 1.41 in the third quarter of 1982, rose to 1.43 in the third quarter of 1983 (Table 2.9). The "quick" ratio, which removes inventories from current assets to compare the most liquid assets relative to current liabilities, rose from 0.76 to 0.81 over the same period; it had peaked at 0.89 in the fourth quarter of 1980. The ratio of internal funds to capital outlays showed a more dramatic improvement from 0.30 in the fourth quarter of 1981 to 0.84 in the third quarter of 1983; it increased both because of a rise in internally available funds and a decline in investment. This ratio highlights the availability of internally generated funds to finance capital expansion.

While these improvements in liquidity were taking place, firms were also operating on the longer end of their balance sheets to reduce their debt-to-equity ratios. Long-term bank loans were either paid off or refinanced with other sources of funds and, while bond borrowing did not actually decline, it grew only modestly. Firms were able to rely heavily on equity financing in 1983 and share capital outstanding grew strongly each quarter. This switch from debt to ownership capital lowered the debt-to-equity ratio from 1.53 in the second quarter of 1982 to 1.42 in the third quarter of 1983. The ratio had continuously increased since the first quarter of 1981 when it was 1.26.

Although the turnaround in corporate financial conditions was firmly established in 1983, progress was fairly slow. Only a small proportion of the recent erosion of these ratios was recouped in 1983, leaving some distance to go before corporations return to a position of financial strength comparable to that preceding the recession.

Sources and Uses of Funds(2)

The total flow of funds of large industrial corporations declined further to $38.1 billion in the four quarters ending in the third quarter of 1983 (Table 2.10). Corporations have been directing their efforts toward financial recovery in recent quarters and a major expansion of capital investment is likely to require further progress in this regard.

The use of funds for major asset acquisition was reduced as spending on capital investment, intercorporate investment and other long-term assets declined. Dividend payments also fell for the second consecutive four-quarter period. This reflects the severity of the deterioration in corporate earnings, as corporations usually try to increase dividends in order to maintain the attractiveness of share capital as an investment. Income tax and other taxes rose in line with the improvement in profits.

The major change in the uses of funds was in working capital, a measure of corporate liquidity, which increased $1.3 billion following a considerable deterioration in the previous four-quarter period.

The reduced need for funds was reflected in the lower sources of funds, where compositional changes show the profit recovery and the balance sheet restructuring which took place in the most recent four quarters. Income before taxes rose to $19.8 billion from $15.4 billion in the previous four quarters. Long-term debt financing dropped to less than 10 per cent of its total in the previous four quarters while equity financing almost doubled and was used to reduce outstanding debt and provide the moderate level of financing required by firms during the period.

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(2) The following discussion differs from that in Chapter 7 in the following respects. First, data in this chapter are based on *Industrial Corporations Financial Statistics* while those in Chapter 7 are based on *Financial Flow Accounts* and the Bank of Canada *Review*. These data sources do not entirely refer to the same sectors of the economy. Second, the analysis here covers only industrial corporations while the Chapter 7 data are more comprehensive and encompass all sectors of the economy. Third, data in this chapter refer only to the first three quarters of the year compared to full year data in Chapter 7. Finally, these different sources of data define various financial concepts, particularly short-term debt, somewhat differently.

Table 2.10

Sources and Uses of Funds of Large Industrial Corporations For All Industries[1]

	1979	1980	1981	1982	1983
			(billions of dollars)		
Sources					
Income before taxes	22.6	27.4	26.1	15.4	19.8
Net extraordinary income	−0.1	1.0	0.6	−0.1	−0.2
Depreciation allowances	6.7	7.8	8.9	10.2	11.1
Share capital	4.8	6.8	4.2	3.8	7.3
Long-term debt	8.9	10.8	19.8	18.5	1.6
Miscellaneous adjustments and residual[2]	0.0	−0.1	1.4	−1.8	−1.4
Total	42.9	53.6	61.0	46.0	38.1
Uses					
Income and other taxes	8.6	10.8	11.4	7.8	9.5
Dividends	5.5	6.6	7.6	6.8	5.9
Capital investment	18.2	24.1	29.0	30.5	25.3
Intercorporate investment	3.8	6.8	11.0	3.2	2.5
Other long-term assets[3]	1.8	0.9	0.9	4.5	−6.4
Working capital[4]	5.0	4.6	1.2	−6.7	1.3
			(per cent)		
Memorandum Item					
Income and other taxes as a percentage of income	38.1	39.4	43.7	50.7	48.0

Note: Totals may not be the sum of the detail because of rounding.

[1] Calculations are based on four quarters ending in the third quarter of the year indicated.

[2] Includes contributed surplus, excess of appraised value of fixed assets over (depreciated) cost and retained earnings prior period adjustment, transfers, other adjustments, and retained earnings for corporations employing the equity method.

[3] Includes long-term investments, other assets and the difference between capital expenditures and depreciation, depletion and change in fixed assets.

[4] Working capital is a net concept defined as current assets minus current liabilities. Short-term debt is a component of current liabilities and thus does not appear seperately as a source of funds.

Source: Statistics Canada, *Industrial Corporations: Financial Statistics*, quarterly, cat. 61-003.

3. The Labour Market

Accompanying the strong recovery in output, the labour market showed substantial improvement during 1983. The decline in the unemployment rate of 1.7 percentage points from December 1982 to December 1983 was about three times the average decline during the first year of the previous five postwar recoveries. Growth in employment during the 1983 recovery was significantly stronger than the average of earlier recoveries, while the increase in the labour force was less than average. However, the severity cf the deterioration in the labour market during the last half of 1982 significantly influenced annual averages. As a result, the average unemployment rate of 11.9 per cent in 1983 was 0.9 percentage points higher than in 1982.

Labour Supply

The labour force increased 1.8 per cent from December 1982 to December 1983 (Table 3.1) and 1.9 per cent in 1983 over 1982 (Table 3.2) on an annual average basis (see Chart 3.1 for differences in annual average and year-over-year changes). The year-over-year labour force increase in December 1983 was less than the average of past recoveries (Table 3.1). This was due entirely to the slower growth of the source population, as the aggregate participation rate actually increased significantly more during the 1983 recovery than the average increase experienced during previous recoveries. The increase in the participation rate and the decline in the labour force of youths during 1983 were contrary to past behaviour. The decline in the participation rate of adult men and the increase in their labour force were similar to past experience. The increase in the adult female labour force was less than average and the increase in their participation rate was similar to past experience.

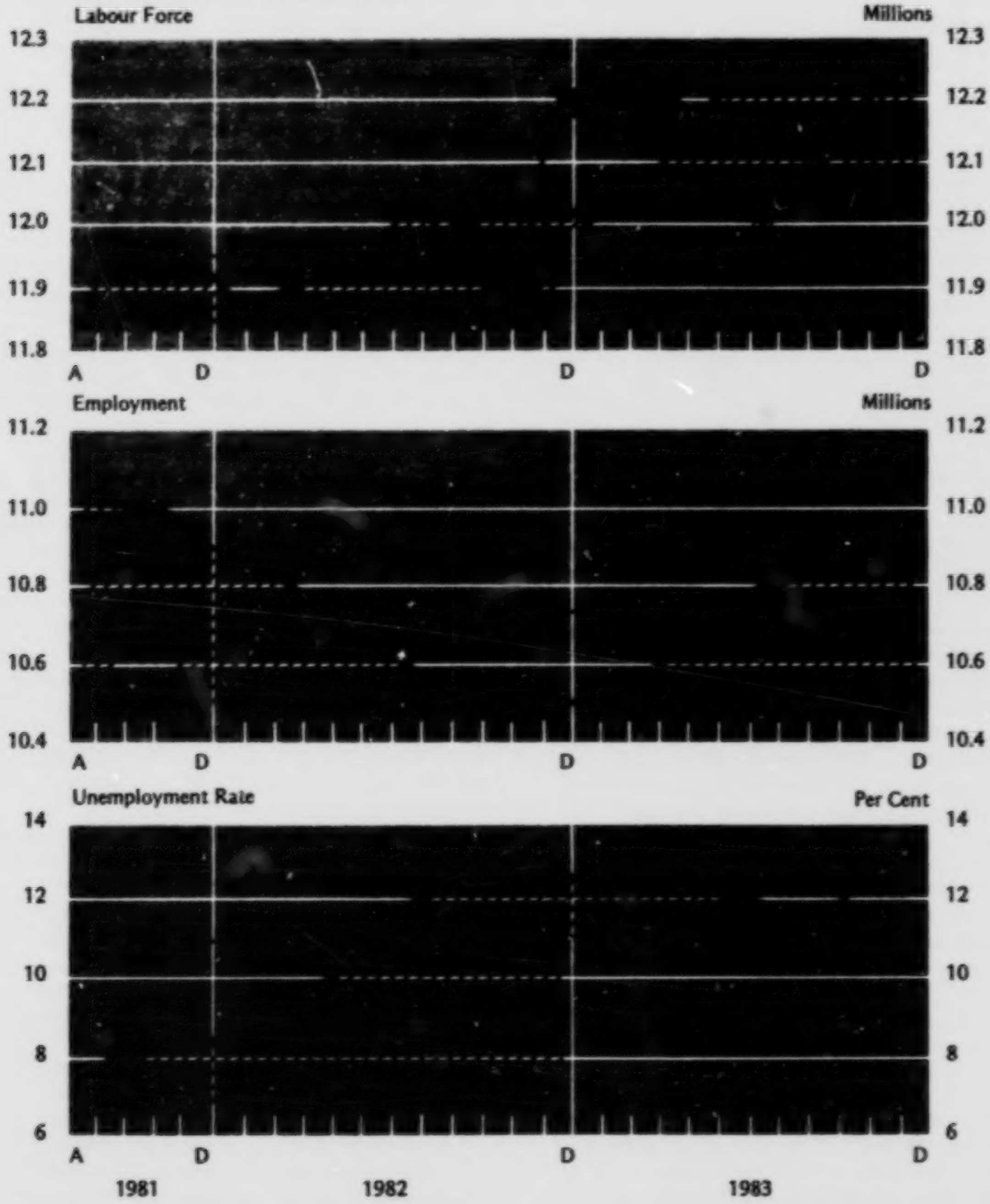
On an annual average basis, a small decline in the rate of growth of the source population in 1983, continuing a trend which began in 1981, was more than offset by the increase in the aggregate participation rate. The rate of increase in the source population slowed for all major age and sex groups in 1983. Growth in the source population of youths has been declining since 1976, turning negative in 1981. The growth of the adult source population in 1983 fell back to rates similar to those of the early 1970s, after above-average rates in the 1980-1982 period. The aggregate participation rate rose in 1983 due to increased participation of youths and adult women; there was a further decline in the participation rate of adult men.

The decline in labour force participation in 1982, in reaction to the upward movement in the unemployment rate, was reflected in a substantial increase in the estimated number of discouraged workers in the economy (Table 3.3). Although the number of discouraged workers declined in 1983, their average level remained high. This contributed to keeping the increase in the participation rate relatively small in 1983; at 0.3 percentage points, the increase was less than the average gain of the five years preceding the 1981-1982 recession.

The adult male labour force grew 1.7 per cent in 1983. The 0.4-percentage point decline in their participation rate in 1983 was in line with the recent trend, but was significantly less than the 1.0-percentage-point decline in 1982 when some discouraged workers dropped out of the labour force. The labour force of adult women grew 4.8 per cent in 1983, due equally to an increase in their source population and to increased participation (Table 3.4). The increase of 1.1 percentage points in their participation rate in 1983 was below the 1.4-percentage-point average gain during the pre-recession five years, but significantly above the 0.4-percentage-point increase in 1982. The youth labour force declined for a second consecutive year, falling 1.3 per cent following a 4.0-per-cent drop in 1982. The declining youth source population, due to the aging of the baby boom generation, has become an important factor underlying the decline in the youth labour force since 1980. The large youth labour force decline in 1982 was due to a coincident decline in their participation rate, while in 1983 the youth participation rate increased slightly, although the increase remained well below the average annual increase of close to 1.0 percentage point during the 1976-1981 period.

Chart 3.1

The Labour Market in Canada During the 1981-1982 Recession and the 1983 Recovery(1)



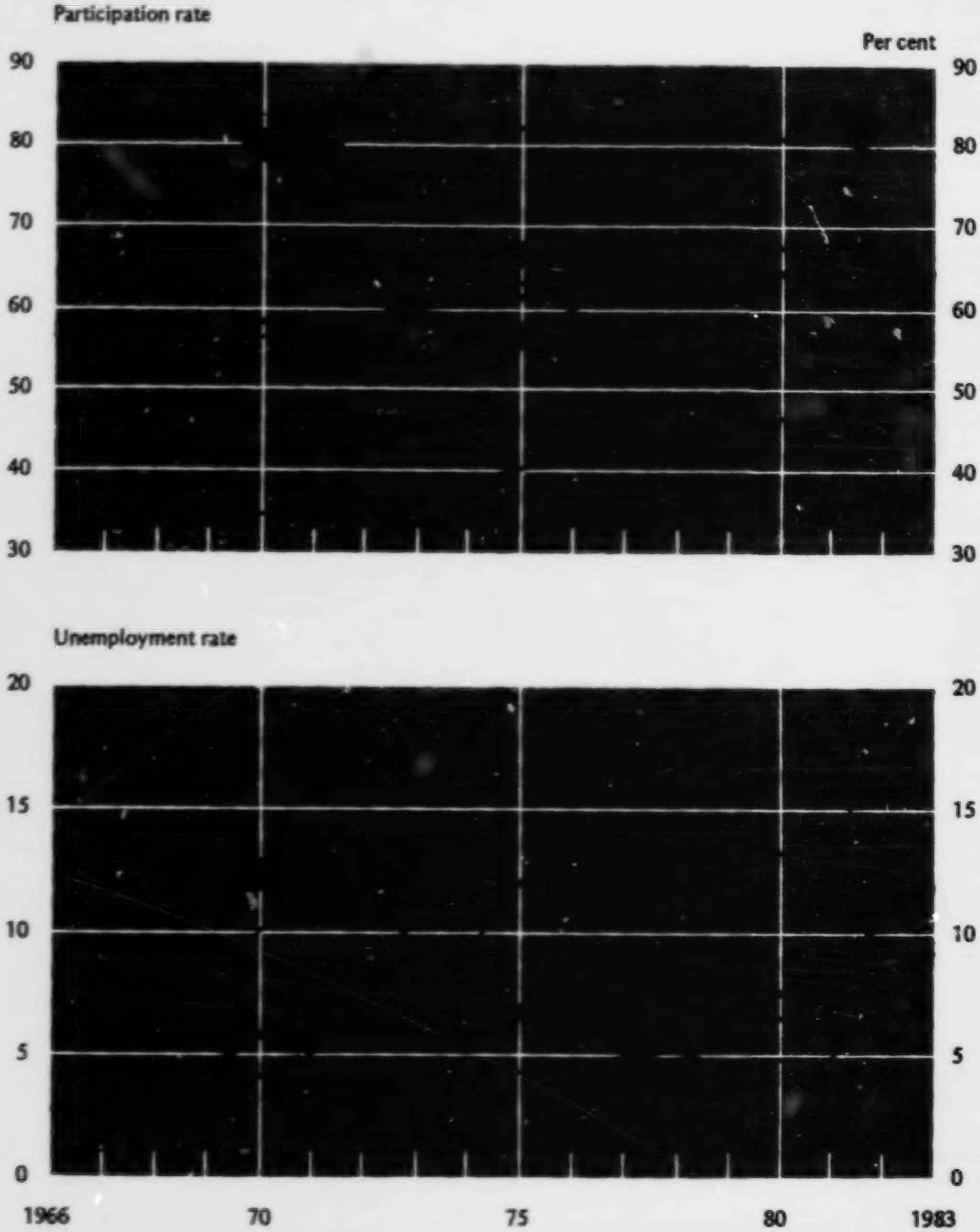
(1) The data plotted are seasonally adjusted. However following convention, annual average and year-over-year changes reported are based on seasonally unadjusted data.

(2) The shaded areas represent changes from the beginning to the end of the recession and from the beginning to the fourth quarter of the recovery.

Source: Statistics Canada, The Labour Force, Monthly, catalogue 71-0001.

Chart 3.2

Participation and Unemployment Rates



Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001.

Table 3.1
Historical Cyclical Behaviour of Labour Market Indicators[1]

	1983 Recovery[2]	1981-1982 Recession	Average postwar recovery excluding 1983[2]	Average postwar recession excluding 1981-1982
	(cumulative percentage change)			
Source population	1.3	2.3	2.0	2.2
Adult male	2.1	3.5	1.9	2.0
Adult female	2.3	3.7	2.0	2.1
Youth	–1.8	–1.9	2.0	2.2
Labour force	1.8	1.1	2.2	2.1
Adult male	1.5	2.2	1.6	1.6
Adult female	4.7	5.6	5.6	4.0
Youth	–1.2	–5.8	0.6	1.2
Participation rate (percentage points)	0.4	–0.7	0.1	0.1
Adult male	–0.4	–1.0	–0.3	–0.1
Adult female	1.2	0.7	1.1	0.5
Youth	0.4	–2.7	–0.6	–0.3
Employment	3.8	–5.0	2.8	0.2
Adult male	3.5	–3.8	2.1	0.1
Adult female	5.8	1.3	6.0	4.1
Youth	1.6	–14.7	1.6	–1.6
Full-time	2.8	–6.8	3.2[3]	–0.7
Part-time	8.9	5.3	5.4[3]	16.8
	(change in thousands)			
Employment	392	–549	221	41
Adult male	170	–193	84	2
Adult female	187	41	103	60
Youth	35	–397	33	–23
Full-time	244	–647	176[3]	–25
Part-time	148	79	45[3]	31
Unemployment	–174	680	–29	119
Adult male	–88	311	–15	63
Adult female	–17	151	–1	9
Youth	–68	218	–12	58

Table 3.1 (Continued)
Historical Cyclical Behaviour of Labour Market Indicators[1]

	1983 Recovery[2]	1981-1982 Recession	Average postwar recovery excluding 1983[2]	Average postwar recession excluding 1981-1982
		(percentage points)		
Unemployment rate	−1.7	5.6	−0.6	1.6
Adult male	−1.8	5.6	−0.5	1.6
Adult female	−0.9	3.8	−0.3	0.6
Youth	−2.3	8.2	−0.7	2.6

[1] Unlike Table 1.2, this table is calculated using monthly data. The dates for the recessions are (peak-to-trough): May 1951 to December 1951; May 1953 to June 1954; January 1957 to January 1958; March 1960 to January 1961; May 1974 to March 1975; October 1979 to June 1980; June 1981 to December 1982. Recovery estimates are based on the first 12 months of each recovery. These dates reflect *cyclical* troughs as dated in Statistics Canada, *Current Economic Analysis*, monthly, cat. 13-004E, and do not necessarily correspond to the exact dates of labour market cycles.

[2] Unlike Table 1.2, recovery estimates are calculated as year-over-year changes in seasonally unadjusted data.

[3] Data available only for the 1975-1976 and 1980-1981 recoveries.

Source: Statistics Canada, *Historical Labour Force Statistics*, annual, cat. 71-201.

Labour Demand

The recovery in employment in 1983 was strong in comparison to previous postwar recoveries. Between December 1982 and December 1983, employment increased 3.8 per cent – 1.0 percentage point more than the average past gain (Table 3.1, Chart 3.1). However, because of the depth of the 1981-1982 recession, the large gains in employment during 1983 were not sufficient to eliminate losses suffered during the recession, as only 72 per cent of the total job losses were recouped.[1] Further, because of the steep employment declines which occurred in 1982, particularly in the second half, average employment grew only 0.8 per cent in 1983, not enough to offset the 1.9-per-cent annual increase in the labour force. Since, on a year-over-year basis, employment growth outpaced the increase in the labour force at the end of 1983, the unemployment rate fell from its peak of 12.8 per cent in December 1982 to 11.1 per cent in December 1983. However, again because of the large increase in the unemployment rate during 1982, the average unemployment rate rose to 11.9 per cent in 1983 from 11.0 per cent in 1982.

Adults accounted for over 90 per cent of the jobs created during the 1983 recovery and, by the end of the year, their employment level was higher than before the recession; adult men regained about 81 per cent of their recession losses while employment of adult women rose above their pre-recession peak level by 7 per cent. In contrast, youths recouped only 11 per cent of their decline in employment, although they accounted for nearly 65 per cent of the job losses during the recession. Youth employment grew in the May to July period, on a seasonally adjusted basis, but generally fell in most other months during 1983.

The employment growth among adult men was significantly larger during 1983 than in any of the

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[1] References to job losses regained during the recovery are to the percentage of the jobs lost from the employment peak in August 1981 to the trough of November 1982.

Table 3.2
Labour Force Developments

	Average		1981		1982		1983	
	1970-1975	1976-1980	Annual	Year end(1)	Annual	Year end(1)	Annual	Year end
				(percentage change)				
Employment growth								
Total	3.2	2.9	2.8	0.3	−3.3	−3.8	0.8	3.8
Adult males	1.8	1.9	2.0	0.1	−2.4	−3.6	0.5	3.5
Adult females	5.1	5.6	6.1	3.7	0.9	0.7	4.0	5.8
Youths (15-24 years)	4.4	2.0	0.4	−3.5	−10.1	−10.1	−2.5	1.6
Source population growth								
Total	2.4	2.0	1.8	1.7	1.6	1.5	1.4	1.3
Adult males	2.2	1.9	2.4	2.4	2.4	2.3	2.2	2.1
Adult females	2.4	2.0	2.6	2.5	2.5	2.5	2.4	2.3
Youths	2.5	0.6	−0.3	−0.8	−1.1	−1.3	−1.6	−1.8
Labour force growth								
Total	3.5	3.0	2.9	1.9	0.5	0.9	1.9	1.8
Adult males	1.9	2.0	2.1	1.6	1.1	1.1	1.7	1.5
Adult females	5.5	5.6	6.3	5.1	3.3	3.8	4.8	4.7
Youths	4.9	2.2	0.5	−1.2	−4.0	−3.0	−1.3	−1.2
				(per cent)				
Participation rates								
Total	59.3	63.0	64.8	64.5	64.1	64.1	64.4	64.5
Adult males	82.5	80.9	80.5	80.2	79.5	79.2	79.1	78.8
Adult females	37.0	44.5	48.1	48.3	48.5	48.9	49.6	50.1
Youths	59.5	65.2	67.7	67.0	65.8	65.7	66.1	66.1
Unemployment rates								
Total	6.0	7.7	7.5	8.6	11.0	12.8	11.9	11.1
Adult males	3.9	4.7	4.8	5.9	8.2	10.2	9.2	8.5
Adult females	5.4	7.0	6.7	7.4	8.8	10.1	9.6	9.2
Youths	10.5	13.5	13.2	14.9	18.8	21.0	19.9	18.8
Unemployment shares								
Adult males	32.8	28.6	29.1	31.3	34.0	36.3	35.5	34.7
Adult females	21.1	24.3	25.5	24.9	23.8	23.7	24.6	25.4
Youths	46.2	47.0	45.4	43.8	42.2	40.0	40.0	39.9
Labour force shares								
Adult males	50.2	46.7	45.4	45.6	45.7	45.7	45.6	45.6
Adult females	23.5	26.6	28.8	29.1	29.6	30.0	30.5	30.8
Youths	26.4	26.7	25.8	25.3	24.7	24.3	23.9	23.6

(1) December to December changes. December figures for rates and shares are based on seasonally adjusted data.
Source: Statistics Canada, *Historical Labour Force Statistics*, annual, cat. 71-201.

Table 3.3
Discouraged Workers – Proxy Indicators(1)

	1976	1977	1978	1979	1980	1981	1982	1983
Total								
Thousands	34.0	45.0	52.0	49.0	53.0	57.0	111.0	111.0
Percentage change	—	36.4	15.6	–5.8	8.2	7.5	94.7	0.0
Adult males								
Thousands	10.0	12.0	14.0	14.0	16.0	16.0	33.0	35.0
Percentage change	—	20.0	16.7	0.0	14.3	0.0	106.3	6.1
Share of total (per cent)	30.3	26.7	26.9	28.6	30.2	28.1	29.7	31.5
Adult females								
Thousands	10.0	14.0	18.0	15.0	18.0	18.0	34.0	36.0
Percentage change	—	40.0	28.6	–16.7	20.0	5.9	88.0	5.9
Share of total (per cent)	30.3	31.1	34.6	30.6	34.0	31.6	30.6	32.4
Youths								
Thousands	14.0	19.0	21.0	20.0	20.0	22.0	45.0	40.0
Percentage change	—	46.2	10.5	–4.8	0.0	10.0	104.5	–11.1
Share of total (per cent)	41.2	42.2	40.4	40.8	37.7	38.6	40.5	36.0

(1) The actual number of discouraged workers is difficult to measure. These Statistics Canada figures represent "those who are not in the labour force because they believe no work is available", and are used here as a proxy for discouraged workers. Statistics Canada warns that it is impossible to measure discouragement accurately, and those represented in this table could reflect people with a low intensity of job search and inaccuracies due to the fact that the Labour Force Survey interviews only one member of each household. Because of the inability to measure discouraged workers accurately, their totals are not added to the official unemployment rate in any of the industrialized nations.

Source: Statistics Canada, *Historical Labour Force Statistics*, annual, cat. 71-201.

Table 3.4
Factors Contributing to Labour Force Growth 1981-1983

	Total			Adult males			Adult females			Youths		
	1981	1982	1983	1981	1982	1983	1981	1982	1983	1981	1982	1983
	(percentage change)											
Change in labour force	2.9	0.5	1.9	2.1	1.1	1.7	6.3	3.3	4.8	0.5	–4.0	–1.3
	(percentage points)											
Contribution from change in participation	1.1	–1.1	0.5	–0.3	–1.3	–0.5	3.9	0.8	2.4	0.8	–2.9	0.3
Contribution from change in population	1.8	1.6	1.4	2.4	2.4	2.2	2.6	2.5	2.4	–0.3	–1.1	–1.6

Source: Statistics Canada, *Historical Labour Force Statistics*, annual, cat. 71-201.

Table 3.5

Cyclical Behaviour of Industrial Employment[1]

	1983 Recovery	1981-1982 Recession	Average postwar recovery excluding 1983	Average postwar recession excluding 1981-1982
	(cumulative percentage change)			
Total	3.8	−5.0	3.5	1.1
Goods	4.9	−13.1	2.6	−1.4
Agriculture	5.4	−4.0	1.0	2.3
Other primary industries	4.4	−19.0	7.2	3.7
Manufacturing	6.8	−14.5	2.1	−2.6
Construction	−1.7	−12.6	5.1	−1.9
Services	3.4	−1.1	4.0	2.6
Transportation-communication-utilities	−2.5	−4.8	2.2	3.3
Trade	3.1	−2.7	2.5	0.7
Finance-insurance-real estate	9.6	−2.5	0.9	5.7
Community-business-personal services	4.8	1.1	5.3	3.2
Public administration	−0.1	−0.6	7.3	2.1
	(cumulative change in thousands)			
Total	392	−549	358	108
Goods	146	472	95	−44
Agriculture	23	−19	5	11
Other primary industries	11	−62	20	9
Manufacturing	121	−309	39	−50
Construction	−9	−82	31	−13
Services	247	−81	263	165
Transportation-communication-utilities	−22	−45	19	11
Trade	57	−51	42	26
Finance-insurance-real estate	54	−15	1	32
Community-business-personal services	159	35	151	83
Public administration	−1	−5	50	15

[1] This table differs from Table 4.5 as it is calculated over the 1975-1976, 1980-1981, and 1982-1983 recoveries only, since industrial data are not available earlier than 1966. Recovery estimates are calculated as year-over-year changes in seasonally unadjusted data.

Source: Statistics Canada, *Historical Labour Force Statistics*, annual, cat. 71-201.

Table 3.6
Changes in Employment and Output in 1983

	Change in employment	Employment			Output(1)
		Full-time	Part-time	Total	
1983 Annual average change	(thousands)		(percentage change)		
Canada	90	−0.3	7.6	0.8	2.7
Adult males	25	−1.0	10.0	0.5	—
Adult females	128	0.9	6.8	4.0	—
Youths	−61	−5.4	5.0	−2.5	—
Agriculture	14	3.0	7.6	3.0	3.6
Other primary	10	3.4	n.a.	3.7	8.4
Manufacturing	−44	−2.4	0.0	−2.3	6.3
Construction	−31	−6.7	14.6	−5.2	−2.4
Trade	2	−1.6	6.0	0.1	3.0
Transportation, communication, and utilities	−15	−2.8	16.3	−1.7	2.2
Finance, insurance, and real estate	1	1.6	6.0	0.2	1.4
Community, business, and personal services	137	3.3	7.2	4.2	1.3
Public administration	15	1.4	14.0	2.0	1.4
Goods-producing	−51	−2.2	8.0	−1.6	4.6
Services-producing	140	0.7	7.6	1.9	1.7
December 1983 year-over-year change					
Canada	392	2.8	8.9	3.8	7.2
Adult males	170	2.7	11.4	3.5	—
Adult females	187	2.7	7.5	5.8	—
Youths	35	−2.1	8.8	1.6	—
Agriculture	23	4.9	7.4	5.4	0.7
Other primary	11	4.1	n.a.	4.4	13.4
Manufacturing	121	6.7	7.6	6.8	19.6
Construction	−9	−3.6	25.6	−1.7	−6.2
Trade	57	2.0	5.6	3.1	7.8
Transportation, communication, and utilities	−22	−3.3	8.9	−2.5	9.4
Finance, insurance, and real estate	54	6.9	33.9	9.6	1.4
Community, business, and personal services	159	4.0	7.4	4.8	4.0
Public administration	−1	−1.6	23.9	−0.1	0.9
Goods-producing	146	4.4	11.9	4.9	12.3
Services-producing	247	2.1	8.6	3.4	4.5

(1) Real domestic product.

Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001 (revised); and *Gross Domestic Product by Industry*, monthly, cat. 61-005.

other postwar recoveries (Table 3.1). Increases in youth and adult female employment were about the same as average. The above-average decline in the youth labour force, combined with average employment growth during 1983, caused an above-average reduction in the youth unemployment rate during the 1983 recovery. The relative strength in adult male employment and the weak-

Table 3.7

Full-Time and Part-Time Employment in Canada 1975-1983

	Total employment		Full-time			Part-time		
	(thousands)	(percentage change)	(thousands)	(percentage change)	(share of total)	(thousands)	percentage change)	(share of total)
1975..........	9,284	—	8,296	—	89.4	988	—	10.6
1976..........	9,477	2.1	8,431	1.6	89.0	1,047	6.0	11.0
1977..........	9,651	1.8	8,524	1.1	88.3	1,128	7.7	11.7
1978..........	9,987	3.5	8,780	3.0	87.9	1,206	6.9	12.1
1979..........	10,395	4.1	9,094	3.6	87.5	1,301	7.9	12.5
1980..........	10,705	3.0	9,316	2.4	87.0	1,392	7.0	13.0
1981..........	11,006	2.8	9,519	2.2	86.5	1,487	6.8	13.5
1982..........	10,644	−3.3	9,150	−4.3	85.6	1,534	3.2	14.4
1983..........	10,734	0.8	9,083	−0.3	84.6	1,651	7.6	15.4

Reasons for Part-Time Employment(1)

	Could not find full-time work		Family responsibilities		Schooling		Did not want full-time work	
	(percentage change)	(share of total)	(percentage change)	(share of total)	(percentage change)	(share of total)	(percentage change)	(share of total)
1975..........	—	11.0	—	12.1	—	34.8	—	36.8
1976..........	15.6	11.9	10.8	12.7	2.3	33.6	5.8	36.8
1977..........	28.6	14.3	7.5	12.7	2.3	31.8	5.2	35.9
1978..........	22.2	16.4	2.8	12.3	0.3	29.8	8.1	36.3
1979..........	12.6	17.1	1.4	11.5	10.8	30.7	6.4	35.9
1980..........	9.9	17.6	18.1	12.7	4.3	30.0	3.6	34.9
1981..........	9.0	18.0	2.8	12.3	6.0	29.9	8.5	35.6
1982..........	40.8	24.8	−15.5	10.0	−6.1	27.1	−1.9	33.8
1983..........	23.6	28.5	0.7	9.2	1.7	25.6	2.9	32.3

(1) Shares do not add to 100 due to the exclusion of a small category called "other reasons".

Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001 (revised).

ness in adult female labour force growth during the 1983 recovery, compared to past recoveries, meant that the declines in their unemployment rates were also significantly larger than average.

Employment growth in the goods industries was stronger than in the services industries in 1983 (Table 3.5). However, due to their greater weight in the economy, the services industries contributed a larger proportion of new jobs. The goods industries accounted for 89 per cent of the recession-related job losses but contributed only 38 per cent of the recovery-induced job gains. The employment contribution of goods industries was, however, larger during 1983 than in previous recoveries in the 1970s and 1980s. By December 1983, goods industries had recovered about 31 per cent of their total job losses, and services employment, which had been more stable during the recession, was 2.5 per cent above its pre-recession peak.

In the early part of 1983, new jobs originated primarily in the services industries, but the growth in employment in the goods industries outpaced that of services industries in the second half of the year. In the goods industries, the employment turnaround occurred earliest in non-agricultural primary industries; it is typical for employment in these industries to increase prior to a substantial increase in output. Manufacturing and construction employment also increased early in 1983, although construction employment weakened again near the end of the year. The contribution of the manufacturing sector to the total increase in employment in the 1983 recovery – 31 per cent of the total employment gain – was considerably larger than in past recoveries. In the services sector, employment growth was concentrated in two sectors, the community, business and personal services, and trade industries; the former contributed about 41 per cent of total employment gains during 1983, following reasonably steady growth throughout the recession. The community, business and personal services industries have traditionally contributed the largest proportion of new jobs in previous recoveries. Employment in the transportation, communications and utilities sector was particularly weak in the 1983 recovery, especially relative to the increase in its output (Table 3.6).

Part-time employment in December 1983 was 16.4 per cent above its pre-recession peak. In contrast, full-time employment recovered only 38.6 per cent of its recession losses and its growth during 1983 was less than in previous recoveries (Table 3.1). As indicated in Table 3.7, part-time employment grew significantly more than full-time employment over the period 1975 to 1981. In 1982, the growth rate of part-time employment fell by half while full-time employment declined. The growth in part-time employment, on an annual average basis, rebounded in 1983 to about its average rate and the share of part-time employment in total employment jumped 1.0 percentage point to 15.4 per cent, as full-time employment again fell. All of the increase in part-time employment in 1982 was accounted for by those who could not find full-time work, and their number again increased significantly in 1983, accounting for 28.5 per cent of total part-time workers. The largest group of people working part-time in 1983, however – almost one third of the total – continued to be those who did not want full-time work.

Canada-U.S. Comparison of Major Labour Market Developments

Labour markets in both Canada and the U.S. were extremely weak from the third quarter of 1981 to the end of 1982; employment declined, unemployment increased and unemployment rates reached postwar record levels in both countries. However, the deterioration in the labour market was significantly greater in Canada than in the U.S. The unemployment rate in Canada increased 5.6 percentage points over six quarters to 12.7 per cent in the fourth quarter of 1982. In the U.S. the unemployment rate increased only 3.3 percentage points to 10.5 per cent over this period. This greater deterioration in the Canadian labour market occurred because of the greater severity of the Canadian recession and the greater sensitivity of employment in Canada to changes in output. Output, as measured by real GNE, fell 6.5 per cent in Canada and 2.1 per cent in the U.S. during the recession. Employment over this period declined 4.9 per cent in Canada and only 1.4 per cent in the U.S. Thus, employment declined proportionately more in Canada, taking into account differences in output behaviour. Table 3.8 provides estimates of employment elasticities, defined as the percentage change in employment divided by the percentage change in output, to take into account different output changes in the two economies. A negative elasticity, which was characteristic of Canada's experience prior to the most recent recession and in marked contrast to the U.S. experience over the past 30 years, means that employment continued to increase even as output declined. The 1981-1982 recession was only the second in Canada during the past 30 years in which employment fell. The employment elasticity of 0.75 in the 1981-1982 recession was not only the largest in Canada during the postwar period, it was also larger than that in the U.S. for the first time in recessions.

During 1983, both countries experienced substantial labour market recovery. Table 3.9 provides cumulative changes in major output and labour market variables for the 12-month period ending in December 1983 and averages for these variables for 1983.

From December 1982 to December 1983, Canada experienced slightly faster growth in output and productivity, and marginally weaker employment growth, than did the U.S. Further, as the labour force grew more rapidly in Canada than in the U.S., Canada did not record as large a reduction in the unemployment rate as the U.S. The unemployment rate declined 1.7 percentage points in Canada to 11.1 per cent compared to 2.5 percentage points in the U.S. to 8.2 per cent. During the 1983 recovery, the employment elasticity declined in Canada relative to the 1980 recovery but still remained higher than those of the 1950s and 1960s – and was only marginally smaller than that for the U.S. In contrast, the employment elasticity in the 1983 recovery in the U.S. was greater than in any previous recovery.

Annual averages in the two countries were influenced by relative differences in the depth of the 1981-1982 recession. On an average annual basis, the U.S. experienced larger increases in real GNE and employment than did Canada in 1983. Canada, on the other hand, experienced higher productivity and labour force growth, both of which limited the decline in the unemployment rate. The average unemployment rate in the U.S. remained basically unchanged in 1983, due to the 1.3-per-cent increase in employment and the 1.2-per-cent increase in the labour force. In Canada, labour force growth of 1.9 per cent outpaced employment growth of 0.8 per cent to further increase the unemployment rate.

Table 3.8
Employment Elasticities for Canada and the U.S.(1)

	Recessions		First year of recovery		Second year of recovery	
	Canada	U.S.	Canada	U.S.	Canada	U.S.
1953-1955	0.19	0.69	0.25	0.38	0.43	1.32
1956-1958	−4.00	0.85	0.00	0.38	1.00	1.18
1960-1962	−0.45	5.00	0.36	0.14	0.41	0.36
1973-1975	−4.30	0.20	0.53	0.40	0.46	0.68
1979-1980	−1.20	0.46	0.71	0.38		
1981-1983	0.75	0.47	0.54	0.57		

(1) Defined as percentage change in employment divided by percentage change in real GNE. More precise estimates could be obtained by removing trend labour productivity from the calculated elasticities. However, the difficulty of defining trend productivity makes this option less attractive.

Source: Statistics Canada, *Historical Labour Force Statistics*, annual, cat. 71-201; *National Income and Expenditure Accounts*, quarterly, cat. 13-001; U.S. Department of Labour, *Employment and Earnings*; and U.S. Department of Commerce, *Survey of Current Business*.

Table 3.9

Major Labour Market and Output Indicators in Canada and the U.S. (Averages and the First Year of Recovery)

	1983 Annual averages		December 1982 to December 1983	
	Canada	U.S.	Canada	U.S.
	(percentage change unless otherwise specified)			
Industrial production	5.9	6.5	18.7	15.7(1)
Real GNE	3.0	3.3	6.6(2)	6.2(2)
Employment	0.8	1.3	3.8	3.9
(thousands)	90	1,295	392	3,962
GNE/employee	2.2	2.0	3.0(2)	2.6(2)
Labour force	1.9	1.2	1.9	1.1
(thousands)	225	1,274	218	1,263
Unemployment	10.2	−0.2	−11.5	−22.7
(thousands)	134	−21	−174	−2,699
Unemployment rate				
(percentage points)	0.9	−0.1	−1.7	−2.5
beginning of period (level)	11.0(3)	9.7(3)	12.8	10.7
end of period (level)	11.9(4)	9.6(4)	11.1	8.2

(1) Industrial production is the only output measure available on a monthly basis in the U.S.

(2) From the fourth quarter 1982 to the fourth quarter 1983, as data are available only quarterly.

(3) Annual average for 1982.

(4) Annual average for 1983.

Source: Statistics Canada, *Historical Labour Force Statistics*, annual, cat. 71-201; *Gross Domestic Product by Industry*, monthly, cat. 61-005; U.S. Department of Labour, *Employment and Earnings*; and Board of Governors of the Federal Reserve System, *Federal Reserve Bulletin*.

International Comparison of the Long-term Unemployed

Unemployment can be examined using two analytical approaches: a static approach, where information is based upon the number of people unemployed at a point in time; and a dynamic approach, where the number of people becoming unemployed and the number ceasing to be unemployed over a period of time are both taken into account. The static approach may conceal useful information for the analysis of the way the labour market functions. For example, over a period of time, a large number of people may become unemployed at the same time that another equally large number may cease to be unemployed through obtaining employment, leaving the static concept of unemployment unaffected. In a dynamic analysis, unemployment is a function of two variables: the number of people becoming unemployed over a given period, referred to as the frequency, and the average

Table 3.10

An International Comparison of the Long-Term[1] Unemployed

A. Long-Term Unemployment

	Aggregate unemployment rate in 1982	Long-term unemployment as a percentage of total unemployed 1979	1980	1981	1982	Absolute change 1979-1982	Proportionate change 1979-1982
	(per cent)	(per cent of total unemployed)				(percentage points)	(per cent)
Canada	11.0	3.5	3.3	4.2	5.3	1.8	51.4
France	8.0	30.3	32.6	32.5	39.8	9.5	31.4
Germany	6.8	19.9	17.0	16.2	21.2	1.3	6.5
United Kingdom	11.2	24.5	19.0	21.6	33.3	8.8	35.9
United States	9.7	4.2	4.3	6.7	7.7	3.5	83.3
Average[2]	9.3	12.5	15.2	14.2	17.5	5.0	40.0

B. Composition of Long-Term Unemployment,[3] 1982

	Youth	Prime-age adults	Older workers	Men	Women
	(percentage share of long-term unemployed)				
Canada	32.4	44.1	23.5	66.2	33.8
France	30.8	45.3	23.9	38.2	61.7
Germany	14.8	44.6	40.6	53.1	46.9
United Kingdom	25.8	37.1	37.1	79.2	20.8
United States	28.5	49.8	21.7	68.7	31.3
Average[2]	26.5	44.2	29.4	61.1	38.9

C. Long-Term Unemployment by Age and Sex,[3] 1982

	Youth	Prime-age adults	Older workers	Men	Women	Total
	(percentage share of total unemployment within age groups)					
Canada	4.0	5.7	7.8	5.9	4.4	5.3
France	31.1	40.1	61.0	35.7	42.9	39.8
Germany	10.3	21.2	34.5	20.9	21.6	21.2
United Kingdom	21.2	36.9	47.6	37.5	23.4	33.3
United States	5.4	8.9	10.4	9.2	5.7	7.7
Average[2]	14.4	22.6	32.3	21.8	19.6	12.5

[1] Unemployed a year or over.

[2] Simple five-country average. The average for the unemployment rate is, therefore, different from that in Reference Table 90, which is weighted.

[3] Youth are those aged less than 25 years. Prime-age adults are those aged between 25 and 44 (Canada), 25-49 (France) and 25-54 (all other countries).

Source: OECD, *Employment Outlook*, 1983.

completed duration of unemployment. Two countries may have the same unemployment rate with one having a large frequency and short duration of unemployment and the other having a small frequency and more longer-term unemployment. This distinction between frequency and the duration of unemployment can have implications for policy.

An international comparison of long-term unemployment – those unemployed for a period of 12 months or more – is presented in Table 3.10. Some of the more important observations are the following:

- **Over the 1979-1982 period, the proportion of those unemployed on a long-term basis was the lowest in Canada among the five major countries for which data are available.** Canada's proportion, at 5.3 per cent in 1982, was well below the five-country average of 17.5 per cent and below the average of 7.7 per cent for the U.S. (panel A of Table 3.10). Given that Canada's unemployment rate was above the average for these countries in 1982, the smaller proportion of long-term unemployment suggests that a relatively large proportion of Canada's unemployment comprises people who are unemployed for a relatively brief

Table 3.11

Mean Average Duration of Unemployment in Progress

	1979	1981	1982
		(number of months)	
Canada	3.4	3.5	4.0
France	9.5	11.8	13.4
Germany	7.8	7.1	8.2
United Kingdom	9.6	8.9	11.2
United States	2.5	3.2	3.6
Average[1]	6.6	6.9	8.1

Duration by Age and Sex,[2] 1982

	Men			Women		
	Youth	Prime-age adults	Older workers	Youth	Prime-age adults	Older workers
			(number of months)			
Canada	3.7	4.3	4.9	3.4	4.0	4.4
France	8.5	11.6	20.7	11.9	14.0	22.6
Germany	5.3	8.8	11.8	5.5	8.9	13.3
United Kingdom	8.3	13.7	16.1	6.6	10.5	17.0
United States	3.4	4.6	4.8	2.6	3.5	4.1
Average[1]	5.8	8.6	11.7	6.0	8.2	12.3

[1] Five-country average.

[2] See footnote to Table 3.10.

Source: OECD, *Employment Outlook*, 1983.

period. The top panel of Table 3.11 supports this conclusion as it indicates that the average duration of unemployment in Canada was significantly less than the other major countries, except for the U.S. The bottom panel of Table 3.11 further indicates that this finding was also observed for the major age groups for both men and women.

- Panel C of Table 3.10 indicates that the relatively smaller proportions of the long-term unemployed in Canada were widespread among the various age and sex groups.
- The generally weak economic growth in the OECD area from 1979 to 1982 (see Chapter 1) led to an average increase of 5.0 percentage points in the proportion of total unemployment represented by the long-term unemployed. Canada's increase of 1.8 percentage points was less than the average increase and less than increases in France, the U.K. and the U.S. but more than the increase in Germany. On a proportionate basis, defined as the absolute change divided by the 1979 value, the U.S. had the largest increase, followed by Canada, and Germany had the smallest increase.
- In Canada and the other major countries, prime-age adults experience a relatively greater share of long-term employment than do young people and older workers (panel B, Table 3.10). With the exception of France and Germany, men have a significantly larger share of long-term unemployment than do women.

International Comparison of Changes in Part-time Employment

Part-time employment has generally increased rapidly in many industrialized countries in recent years. Table 3.12 compares the contributions of part-time employment to changes in total employment in the seven major OECD countries over the 1973-1981 period. The experience of these countries is quite diverse. In the U.K., both full- and part-time employment declined over this period. In Italy, part-time employment fell while at the same time full-time employment increased strongly. The reverse happened in Germany where full-time employment declined but part-time employment grew rapidly. In other countries, both full- and part-time employment increased over this period, with the contribution of part-time employment to the growth in total employment

Table 3.12
An International Comparison of Changes in Part-Time and Full-Time Employment Over 1973-81

	Full-time	Part-time	Total	Contribution of part-time to total change in employment
		(change in thousands)		(per cent)
Canada	1,085	485	1,570	30.9
France	493	540	1,033	52.3
Germany	−270	685	415	165.1
Italy	2,120	−154	1,966	−7.8
Japan	3,010	1,150	4,160	27.6
United Kingdom	−626	−86	−712	12.1
United States	10,274	2,158	12,432	17.4
Total	16,086	4,778	20,864	22.9

Source: OECD, Employment Outlook, 1983.

ranging from a low of 17.4 per cent in the U.S. to a high of 52.3 per cent in France. In Canada, part-time employment contributed 30.9 per cent to the increase in total employment over this period.

International Comparison of Youth Unemployment

Table 3.13 provides an international comparison of the unemployment rate for young people in the seven major OECD countries. The Canadian youth unemployment rate has generally been relatively close to the OECD average. Before the onset of the recession, the Canadian youth unemployment rate in 1980 was 13.2 per cent, virtually the same as the average and the rate in the U.S., lower than the rates in France, U.K. and Italy, but higher than the rates in Japan and Germany. In 1983, the Canadian youth unemployment rate was slightly higher than the OECD average, significantly higher than the rates in Japan and Germany, higher than in the U.S., but again below the rates in France, the U.K. and Italy.

Table 3.13
An International Comparison of Youth Unemployment[1]

	1979	1980	1981	1982	1983
			(per cent)		
Canada	12.9	13.2	13.2	18.8	19.9
United States	11.3	13.3	14.3	17.0	17.0
Japan	3.4	3.6	4.0	4.4	5.5
Germany	3.4	3.9	6.5	9.5	12.3
France	13.3	15.0	17.0	20.3	21.0
United Kingdom	11.6	15.3	19.8	21.6	23.0
Italy	25.6	25.2	27.4	29.7	33.3
OECD average[2]	11.3	13.1	14.8	17.3	18.1

[1] OECD estimates for all countries except Canada and the United States which are based on these countries' own data sources.

[2] For 12 countries. In addition to the seven countries listed, the five others are Australia, Finland, Norway, Spain and Sweden.

Source: OECD, *Economic Outlook*, December 1983; Statistics Canada, *Historical Labour Force Statistics*, annual, cat. 71-201; and U.S. Department of Labour, *Employment and Earnings*.

4. Price and Wage Developments

The slowdown in inflation that began in 1982, following a five-year run-up, became even more marked in 1983. After peaking at 12.5 per cent in 1981, the rate of increase of the CPI fell in 1983 to 5.8 per cent on an average annual basis and to 4.5 per cent on a year-over-year basis in December, the lowest rates of increase in more than a decade (Table 4.1). Equally important was the evidence suggesting that inflationary pressures weakened in a more permanent way. In 1983, industry selling prices, domestic raw material prices and non-COLA wage settlements (without a cost of living allowance) – all important indicators of inflationary pressures – advanced at their slowest pace in many years.

A number of factors contributed to the further slowing of inflation in 1983. These included: the worldwide recession in 1981-1982, culminating in pervasively weak product demand and high unemployment rates, restraining increases in wage rates and profit margins; a cyclical rebound in productivity, which contributed to slowing the increase in unit labour costs; slower rates of increase of food and energy prices; moderating price increases among Canada's trading partners and the strength of the Canadian dollar against other currencies; and the federal government's 6&5 program which made a contribution directly by lowering the rate of increase in federal wage settlements and federally-regulated prices, and indirectly by helping to reduce inflationary expectations.

The decline in Canada's inflation rate in 1983 was the largest among the group of seven major OECD countries. The average CPI rate of inflation in the OECD area fell 2.5 percentage points to 4.5 per cent in 1983 compared to a 5.0-percentage-point decline in Canada to 5.8 per cent (Reference Table 90). The rate of inflation in the U.S. fell 3.0 percentage points to 3.2 per cent in 1983. As a result, the gaps between the Canadian and average OECD and U.S. inflation rates narrowed in 1983. By December 1983, Canada's CPI was increasing at the same pace as the average of the OECD, and the gap between Canadian and U.S. inflation rates fell to 0.7 percentage points from 5.4 percentage points at the end of 1982.

Price Developments

Chart 4.1 illustrates the distinct break in the price-wage inflationary spiral. Price increases at the primary, intermediate and retail levels, along with wage settlements, have fallen significantly since 1981. Also, compared to previous years, the major indicators of price and wage change moved closer together in 1983.

On a year-over-year basis, the CPI rate of inflation peaked at 12.9 per cent in June 1981, fell moderately to 11.2 per cent in June 1982, the month the federal government introduced the 6&5 program and, thereafter, decelerated rapidly to reach 4.5 per cent by December 1983. The drop in inflation during 1983 was widespread. By December 1983, all major CPI components, except energy and alcohol and tobacco, were increasing by less than 5 per cent on a year-over-year basis or about half their year-earlier rates of increase. The sharpest declines occurred in transportation and housing, reflecting to a large extent the decline in energy price increases and a reduction in mortgage interest costs.

Food and energy price increases, which were major factors underlying the rise of consumer prices over the five-year run-up of inflation to 1981, contributed significantly to the decline in the rate of inflation over the past two years (Chart 2.2). The slowing in food price inflation began in the second half of 1981 and continued through 1982 and 1983 reflecting, in general, world-wide surpluses for most agricultural products. A significant slowing also occurred in the rate of increase in energy prices, from 30.0 per cent in 1981 to 7.8 per cent in 1983. The worldwide recession in 1981-1982 resulted in a surplus of oil in world markets and a reduction in the international price of oil. Responding to this, the governments of Canada and Alberta amended the September 1981 agreement in June 1983 and froze the wellhead oil price of new oil at $29.75 a barrel (for details see Chapter 6).

Increases in service prices slowed more sharply than prices of goods in 1983. On a year-over-year basis, prices of services were up 4.3 per cent in December 1983, less than the 4.7-per-

Table 4.1

Recent Price Inflation in Canada

	1981		1982		1983	
	Annual	Year-end[1]	Annual	Year-end[1]	Annual	Year-end[1]
			(percentage change)			
Consumer price index (CPI)						
Food	11.4	5.7	7.2	7.4	3.7	3.9
Housing	12.4	13.9	12.5	11.0	6.8	4.5
Clothing	7.1	6.1	5.6	5.3	4.0	2.9
Transportation	18.3	20.2	14.1	9.2	5.0	4.0
Health and personal care	10.9	10.8	10.6	10.3	6.9	4.7
Recreation, reading and education	10.1	9.6	8.7	8.2	6.5	4.6
Tobacco and alcohol	12.9	16.2	15.5	13.9	12.6	11.4
Total CPI	12.5	12.1	10.8	9.3	5.8	4.5
Energy	30.0	30.5	19.8	13.8	7.8	6.2
Total excluding food	12.7	13.9	11.8	9.8	6.4	4.7
Total excluding energy	10.9	12.0	10.8	9.2	6.2	4.5
Total excluding food and energy	10.9	12.0	10.8	9.2	6.2	4.5
Goods	13.1	11.0	9.4	8.2	5.4	4.7
Services	11.5	13.6	12.9	11.0	6.5	4.3
GNE implicit prices						
Consumer	11.5	11.1	10.8	10.2	5.9	4.6
Domestic demand	11.8	12.0	10.2	8.8	5.5	4.3
Imports	11.0	8.9	4.3	3.0	−1.0	0.3
Domestic demand less imports	12.2	13.5	13.1	11.6	7.9	5.5
Exports	7.1	5.9	2.4	1.9	0.2	−1.7
Total GNE	10.6	11.0	10.1	8.8	5.8	3.8
Industry selling prices	10.2	8.4	6.0	4.4	3.5	3.5
Domestic raw materials	19.1	13.5	8.3	8.3	5.3	5.2
Excluding fuels	0.8	−7.8	−3.8	−0.8	2.5	7.2
World commodity prices excluding energy ($U.S.)[2]	−11.5	−19.6	−16.6	−12.0	8.4	20.4
			(dollars per barrel)			
Crude petroleum prices						
Imported-CIF Montreal	42.99	41.95	41.32	41.30	36.47	36.68
Wellhead Alberta	18.88	21.25	24.63	25.75	29.75	29.75
Blended price	26.94	29.86	32.76	34.65	35.47	36.14

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[1] Year-over-year percentage changes for the fourth quarter for GNE implicit prices and for the month of December for all other prices series.

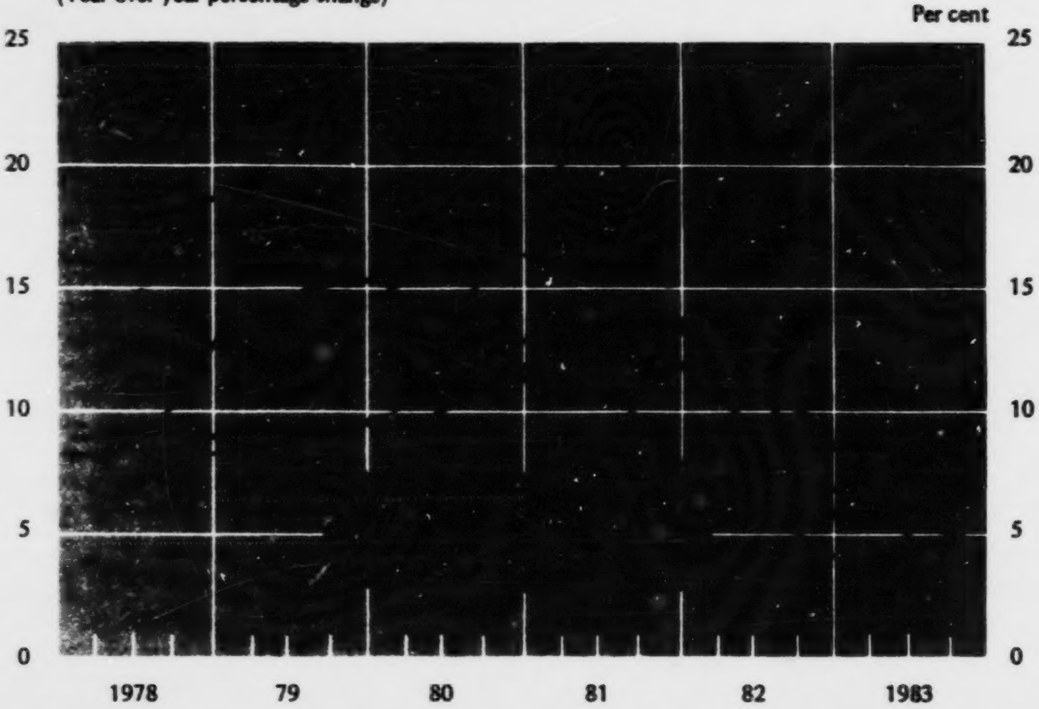
[2] Does not reflect historical revisions resulting from recent changes made by *The Economist* to the composition of the index.

Source: Statistics Canada, *The Consumer Price Index*, monthly, cat. 62-001; *National Income and Expenditure Accounts*, quarterly, cat. 13-001; *Industry Price Indexes*, monthly, cat. 62-011; and *The Economist*, weekly.

Chart 4.1

Indicators of Inflationary Pressures

(Year-over-year percentage change)



Source: Statistics Canada, *Consumer Prices and Price Indexes*, quarterly, cat. 62-010; *Industry Price Indexes*, monthly, cat. -011; Labour Canada, *Labour Data*, quarterly.

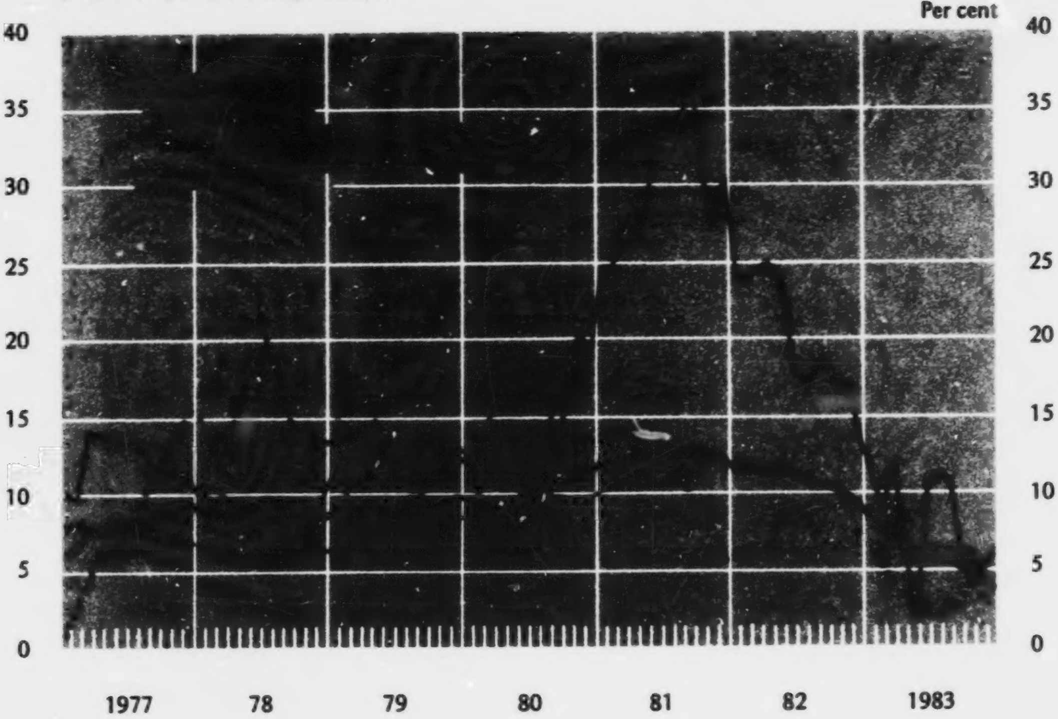
cent increase for prices of goods. This was in sharp contrast to 1982 when the decline in price increases for goods was entirely responsible for the decline in the rate of inflation. The federal government's 6&5 program contributed to the relatively quick decline in service price increases in 1983 by slowing the rise in prices of regulated services, such as telephone, postage, cable and telecommunication rates, as well as rail and air fares.

Implicit national accounts deflators also indicate that the rate of inflation in Canada in 1983 was at its lowest level in more than 10 years. The average price paid by Canadians in 1983 for goods and services, whether domestically or externally produced – the implicit price index for domestic demand – increased 5.5 per cent in 1983. Excluding imports, prices increased 7.9 per cent in 1983, or 2.4 percentage points more than domestic prices including imports. Import prices actually fell in 1983 reflecting weak prices on world markets, particularly for end products, and the strength of the Canadian dollar against other currencies. Export prices remained basically unchanged, on average, in 1983, again reflecting a general weakness in demand in international markets. The most comprehensive indicator of inflation, the implicit price index for gross national expenditure (GNE-IPI), increased 5.8 per cent in 1983, down significantly from 10.1 per cent in 1982. As with the total domestic demand deflator, the increase in GNE-IPI was the smallest since 1972.

While the demand for manufacturing goods has grown significantly since the beginning of the recovery, manufacturers have remained reluctant

Chart 4.2

Consumer Price Index
(Year-over-year percentage change)



Source: Statistics Canada, *The Consumer Price Index*, monthly, cat. 62-001.

to increase their prices significantly. On an annual basis, the industry selling price index (ISPI), a base-year-weighted index that shows movements in both the costs of products sold by one manufacturer to another and the prices paid by distributors, including exporters, increased 3.5 per cent in 1983, down from 6.0 per cent in 1982. This was the smallest increase in the ISPI since 1971. The more important developments in industry selling prices in 1983 included the stability of price increases through the year and the generalized rate of increase for the various industries in the manufacturing sector. On a monthly basis, the year-over-year increase in the ISPI stayed within the range of 3 to 4 per cent from January to December. The sharpest price increases in 1983 occurred in the wood industry. A strong upturn in residential construction in Canada and the U.S. coupled with low inventories at the turn of the year resulted in price increases in the wood industry at more than twice the overall average increase of industry selling prices in 1983. All of the increases in wood prices occurred in the first half of 1983. During the second half of the year wood prices were declining, reflecting the slowdown in residential construction and the increase in wood inventories. All other major industry groups reported modest price increases in 1983. In general, the widespread price increases reflected the broadness of the economic recovery across various sectors while their modest size reflected strong competitive pressures, resulting from relatively low rates of capacity utilization and a realization by firms that the combination of earlier cost-cutting measures and the ongoing recovery were leading to higher profit margins without the necessity for significant price increases.

Domestic raw material price increases moderated in 1983, reflecting to a large extent lower average increases in prices of coal, crude oil and natural gas. On an annual basis, the domestic raw materials price index, which measures changes in the price of raw materials purchased by Canadian industries, increased 5.3 per cent in 1983, down from 8.3 per cent in 1982. Excluding energy, domestic raw materials prices and world commodity prices in U.S. dollars increased 2.5 per cent and 8.4 per cent respectively in 1983 after declining in 1982. Increases for various raw materials prices appeared to come in three overlapping waves in 1983. The first wave, which began in late 1982 and continued into early 1983, affected some industrial materials where demand was strong, particularly wood, aluminum and rubber. Prices for other metals such as copper, nickel and molybdenum remained depressed because of large world inventories. The second wave, mainly affecting some food prices, occurred during the first three quarters of 1983. A combination of a summer drought in North America and the U.S. payment-in-kind program, designed to bolster farm incomes by reducing planted acreages, resulted in large increases in grain and soybean prices. The effect of the drought on retail food prices in 1983 was largely offset by lower meat prices as farmers faced with higher feed grain prices decided to sell livestock. The third wave began in the last half of 1983, resulting in higher prices for cocoa, reflecting a summer drought in West Africa, and for coffee, as the International Coffee Organization held supplies off world markets.

Labour Costs

The progress made in lowering the rate of price inflation over the past few years would not have been possible without a significant slowing in the growth of unit labour costs. Wages make up about two-thirds of production costs and thus are a major factor in the determination of prices. Like most measures of price change, increases in wage settlements and unit labour costs fell to their lowest levels in more than a decade. Weak labour market conditions, the federal government's 6&5 program and the decline in price inflation and inflation expectations acted to restrain wage increases in 1983, while the cyclical recovery in productivity helped to hold down unit labour cost increases.

Wage increases resulting from negotiated wage settlements advanced steadily from 1978 to the end of 1981 and then started to moderate. In 1983, the average annual increase in non-COLA wage settlements fell to 5.6 per cent (Table 4.1) – the smallest advance since 1967 when Labour Canada began reporting wage settlements. On a quarterly basis, increases in non-COLA wage settlements peaked at 13.9 per cent in the fourth quarter of 1981 and then registered eight consecutive declines to 4.0 per cent in the fourth quarter of 1983. Most of this decline occurred in the latter half of 1982 and the fourth quarter of 1983. Wage settlements in both the private and public sectors averaged about 5.5 per cent in 1983. The federal government's 6&5 program entered its second phase in the third quarter of 1983, and this was reflected in the decline in federal government settlements to below 6 per cent in the second half of 1983.

Unit labour costs reflect productivity performance as well as current and lagged increases in wage settlements. A rise in labour productivity in 1983, accompanied by the slowdown in wage increases, acted to reduce the growth of unit labour costs to its lowest annual rate of increase since 1971. Unit labour costs rose only 2.5 per cent in 1983, down from 12.4 per cent in 1982 (Table 4.3). This sharp slowdown enabled firms to improve profit margins and increase output in 1983 without substantial increases in prices.

Canada-U.S. Comparison of Price and Wage Developments

Table 4.3 indicates that the CPI rate of inflation has been declining for three years in the U.S. and for two years in Canada. The earlier peak in the U.S. in 1980 and the corresponding longer period of slowing in inflation reflects to a large extent the earlier and more rapid energy price increases in the U.S. Because of the larger decline in the Canadian inflation rate during 1983, the gap between Canadian and U.S. inflation rates narrowed from 4.6 percentage points in 1982 to 2.6 percentage points in 1983; it fell to only 0.7 percentage points by December 1983. Excluding food and energy, the rate of inflation in Canada was less than in the U.S. at the end of 1983. While Canadian energy price increases have fallen sharply since 1981, they still increased faster than the overall rate of inflation in 1983.

Table 4.2
Recent Wage Settlements in Canada[1]

	1981	1982	1983				
			Annual	1Q	2Q	3Q	4Q
			(percentage increase)				
Non-COLA negotiated settlements							
Commercial	13.9	9.6	5.5	6.4	6.1	6.1	4.2
Non-commercial	13.1	10.0	5.6	6.6	5.9	5.5	4.0
Total[2]	13.3	9.9	5.6	6.5	6.0	5.8	4.0
Private sector	13.5	10.6	5.3	7.0	6.6	5.6	3.5
Public sector	13.3	9.7	5.6	6.4	5.9	5.9	4.2
Federal	12.6	8.0	5.5	6.0	6.0	5.1	5.0
Provincial	13.6	10.6	5.6	6.6	5.7	7.4	2.0
Local	13.2	12.9	5.7	5.9	5.6	5.6	5.5
Education, health and welfare	13.6	11.1	5.7	6.9	6.0	5.7	2.8
Utilities	13.7	11.3	6.6	7.7	5.4	7.8	5.9

[1] Labour Canada reports wage settlements based on different methods of classifying contract settlements according to industry. The commercial/non-commercial breakdown employs the 'standard industrial classification' system used by Statistics Canada which organizes establishments according to their principal economic activity. For example, a government-owned transit system or Post Office is classed among other transportation and communication establishments under the commercial sector, and not under the non-commercial sector as part of the government. The private/public breakdown classifies contracts according to the industry of the employer so contracts affecting the Post Office workers will be classed under the federal government in the public sector. Another example is Air Canada which is included under both the commercial and public sector categories.

[2] Includes wage settlements data in construction industry for 1983 only.

Source: Labour Canada, *Labour Data*, quarterly; and Department of Finance.

U.S. energy prices, on the other hand, have registered little or no increase since 1981. Food prices registered moderate increases in both countries in 1983, although, as in the past, the increase in Canada was higher than in the U.S.

The average annual increases in non-COLA wage settlements also fell more in Canada than in the U.S. during 1983. However, settlements in Canada in 1983 remained higher than in the U.S. for the fourth consecutive year. Reflecting the greater decline in the growth of labour income and larger productivity gains, unit labour cost growth in Canada fell 9.9 percentage points to 2.5 per cent in 1983, on a national accounts basis, compared to a 4.3-percentage-point decline in the U.S. to 3.2 per cent. By the fourth quarter of 1983, the year-over-year increase in unit labour costs of 0.4 per cent was significantly less than the U.S. increase of 2.5 per cent. This marks the first year since 1978 that unit labour costs increased less in Canada than in the U.S.

Historical Perspective on Inflation

Chart 4.3 shows that Canada's inflation experience has followed relatively closely that of the industrial world. This reflects the fact that the main factors determining our inflation experience have been broadly similar to those operating in the rest of the world. The chart also demonstrates that the surge of inflation in the 1970s in Canada and among other major industrialized countries came in two distinct waves. Unlike the

Table 4.3

Canada-U.S. Comparison of Price and Wage Developments

				1982		1983	
	1979	1980	1981	Annual	Year-end[1]	Annual	Year-end[1]
				(percentage change)			
Canada							
CPI	9.2	10.2	12.5	10.8	9.3	5.8	4.5
Food	13.1	10.9	11.4	7.2	7.4	3.7	3.9
Energy	9.8	16.0	30.0	19.8	13.8	7.8	6.2
Excluding food and energy	7.7	9.3	10.9	10.8	9.2	6.2	4.5
Commercial non-COLA negotiated settlements	9.5	11.6	13.9	9.6	7.5	5.5	4.2
Unit labour costs	9.1	12.1	11.7	12.4	9.3	2.5	0.4
United States							
CPI	11.3	13.5	10.3	6.2	3.9	3.2	3.8
Food	10.9	8.6	7.8	4.0	3.1	2.1	2.6
Energy	25.2	30.9	13.5	1.5	1.3	0.8	−0.5
Excluding food and energy	9.7	12.4	10.5	7.4	4.5	3.9	4.9
Commercial non-COLA negotiated settlements	8.0	10.3	8.8	6.6	5.2	3.8	3.1
Unit labour costs	9.0	10.1	7.8	7.5	5.9	3.2	2.5

(1) Year-over-year percentage changes for the fourth quarter for wage increases and for month of December for price increases.

Source: Statistics Canada, *Consumer Prices and Price Indexes*, quarterly, cat. 62-010; *National Income and Expenditure Accounts*, quarterly, cat. 13-001; Labour Canada, *Labour Data*, quarterly; U.S. Bureau of Labour Statistics, *CPI Retail Report*, monthly; and U.S. Department of Commerce, *Survey of Current Business*, monthly.

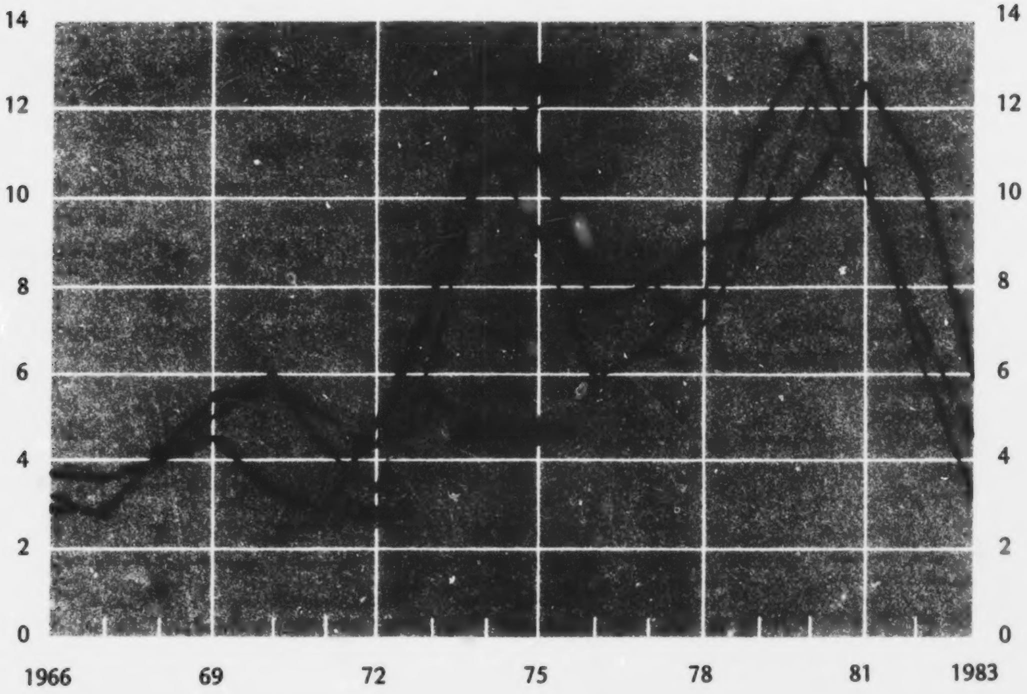
slowing of inflation in the mid-1970s following the first wave, the recent decline in inflation appears to reflect a greater success in breaking its momentum. As a result, inflation rates in Canada and other major OECD countries are at their lowest levels in more than a decade.

Table 4.4 compares the two inflation waves in Canada since the early 1970s with those in the U.S. and seven major countries of the OECD. Table 4.5 provides a list of selected inflation indicators used to examine inflation developments during run-up and run-down periods in the Canadian CPI inflation rate.

After increasing at an average of about 2 1/2 per cent per year in the 1950s and 1960s, the CPI rate of inflation in Canada rose sharply to an average of about 8 per cent in the post-1970 period. The two inflation waves in Canada occurred in a step fashion with troughs and peaks in the second wave higher than in the first. The first run-up of inflation began from a 2.9-per-cent increase in the CPI in 1971 and peaked at 10.9 per cent in 1974, an increase averaging 2.7 percentage points per year over three years. In comparison, the second run-up of inflation began from a 7.5-per-cent increase in the CPI in 1976 and advanced to 12.5 per cent in 1981, an average increase of one percentage point per year over five years. Thus, the inflation rate actually increased faster in the first run-up which lasted a shorter time than the second run-up.

Chart 4.3

Historical Comparison of CPI Inflation Rates
(Annual percentage change)



(1) A weighted average of CPI inflation rates for seven major OECD countries: Canada, United States, Japan, France, United Kingdom, Italy, and Germany.

Source: OECD, *Historical Statistics*, 1983.

From 1974 to 1976, the CPI rate of inflation declined 3.4 percentage points to 7.5 per cent or an average of 1.7 percentage points per year over two years. In the two years following the peak in 1981, the CPI rate of inflation fell to 5.8 per cent in 1983, a decline of 6.7 percentage points over two years or an average of 3.4 percentage points per year. Thus, the rate of inflation fell more quickly following the second run-up of inflation than following the first. The 5.8-percent increase in the CPI in 1983 was lower than the increase registered in 1976, a previous trough in the inflation cycle, and was the smallest increase since 1972 when the rate of inflation was 4.7 per cent.

The similarity of the inflation experience among major OECD countries reflects to a large extent the impact of international supply shocks, particularly food and energy price shocks. These price shocks contributed to inflation directly and indirectly by contributing to wage-price inflation spirals and inflation expectations. Table 4.5 indicates that food price increases for Canadian consumers as well as increases in international food commodity prices have moved with the inflation cycle in Canada, increasing during upturns of the aggregate inflation rate and decreasing with the downturns. Large increases in world oil prices in 1973-1974 and again during 1978-1980 have strongly influenced the timing of the peaks in the inflation rate. Canadians were protected from the full impact of the second major oil price increase by government policies. This was a major reason why the inflation peak in Canada occurred later than in other major OECD countries during the second run-up of inflation.

Table 4.4
Comparison of Recent CPI Inflation Cycles

	First run-up				Second run-up				
	Trough		Peak		Trough		Peak		1983
	Year	Rate of inflation	Year	Rate of inflation	Year	Rate of inflation	Year	Rate of inflation	Rate of inflation
				(percentage change)					
Canada	1971	2.9	1974	10.9	1976	7.5	1981	12.5	5.8
U.S.	1972	3.3	1974	11.0	1976	5.7	1980	13.5	3.2
Major OECD countries[1]	1972	4.3	1974	13.3	1978	7.0	1980	12.2	4.5

[1] A weighted average of CPIs for seven major OECD countries: Canada, United States, United Kingdom, Germany, France, Japan and Italy.

Source: OECD, *Historical Statistics*, 1983.

Periods of international economic expansion in the early 1970s, and recessions in 1974-1975 and 1981-1982 meant that the demand pressures on inflation were operating in the same direction in many countries during these periods. A major factor behind the fast run-up of inflation in the early 1970s was a strong simultaneous economic expansion in many OECD countries. This resulted in an international commodity price boom. In Canada, rising resource prices and profits in the resource-based industry contributed to demand pressures in the labour market. These pressures appeared to touch off a sharp run-up in wage settlements that eventually spread across all sectors of the economy. A recession in 1974-1975 and the introduction of a three-year program of wage and price controls in Canada in October 1975 acted to break the momentum of the wage-price spiral. The downward momentum of inflation was slowed in Canada and the OECD countries by the strength of inflationary expectations.

When the economic expansion of the late 1970s began, the inflation rate in the OECD was at a higher starting point than immediately preceding the expansion in the early 1970s. The economic expansion in the late 1970s was less vigorous in Canada and less widespread abroad than the one earlier in the decade. Price and wage increases accelerated, although not as strongly as earlier in the decade. Worsening labour productivity performance, however, and a large depreciation of the Canadian dollar added new dimensions to the inflation problem during the second run-up. The worldwide recession in 1981-1982, culminating in high unemployment rates and weak demand pressures, was much more successful in breaking the momentum of inflation in the OECD countries than the 1974-1975 recession. This success, of course, reflects the severity of the recession. Also contributing to the decline in the Canadian inflation rate was the federal government's 6&5 program. This set the standard for the private sector which followed suit, and led to a large decline in the rates of increase of costs. Table 4.5 indicates that the price slowdown has been dramatic at all levels – commodity, industrial and retail.

While inflation in Canada and other major OECD countries came in two distinct waves, as illustrated in Chart 4.3, there are some important differences in relative inflation performance during these two periods (Table 4.4). Relative to the average of major OECD countries, both the

Table 4.5

Inflation in Canada, 1970s-1980s

	1972-1974	1975-1976	1977-1981	1982-1983
	(average annual percentage change)			
Total CPI	7.8	9.1	9.7	8.3
Food	12.8	7.7	11.8	5.5
Energy	8.9	14.4	15.2	13.6
Total excluding food and energy	5.5	9.2	8.2	8.5
Total GNE implicit price index	9.7	10.2	9.2	7.9
Domestic demand	8.7	10.4	9.6	7.8
Domestic demand less imports	8.0	11.4	8.3	10.5
Imports	10.3	7.9	13.1	1.6
Exports	15.0	7.0	11.4	4.1
Industry selling prices	11.4	3.1	11.0	4.7
World commodity prices, excluding energy ($U.S.)(1)	37.3	0.8	10.2	−5.0
Food	41.5	2.3	11.9	−5.0
Industrial materials	30.6	−5.5	7.0	−4.5
Non-COLA wage settlements	11.4	13.7	9.3	7.4
Average annual wage rate	11.3	14.5	9.0	7.8
Unit labour costs	9.5	12.8	9.3	7.4

(1) Does not reflect recent historical revisions resulting from changes made to the composition of the index by *The Economist*.

Source: Statistics Canada, *The Consumer Price Index*, quarterly, cat. 62-001; *National Income and Expenditure Accounts*, quarterly, cat. 13-001; *Industry Price Indexes*, monthly, cat. 62-011; *The Economist*, weekly; and Labour Canada, *Labour Data*, quarterly.

trough and peak of the Canadian inflation rate were lower in the first run-up of inflation and higher in the second. Both run-ups of inflation lasted longer in Canada, whereas the inflation rate advanced at a slower pace. The period of slowdown in inflation in the mid-1970s lasted two years in Canada and the U.S., but four years, on average, for all major OECD countries. During this period, the inflation rate fell more slowly in Canada than in the U.S. but more rapidly in Canada than the average of major OECD countries. In 1983, Canada had a higher inflation rate than the U.S. and the average of major OECD countries. However, in the current period of moderating inflation, beginning in 1981 in Canada and 1980 for other OECD countries, the Canadian inflation rate fell faster than the average of major OECD countries and at about the same pace as in the U.S.

Wage Settlements by Industry and Province

There have been two major run-ups in Canadian wage settlements in recent years. The first occurred over the period 1971 to 1975 when average annual increases in non-COLA wage settlements jumped from 7.8 per cent to 19.2 per cent. This very large run-up resulted in a relative increase in Canada's labour costs vis-à-vis the U.S. and an erosion of the competitiveness of Canadian goods. It was also an important factor

Table 4.6

Average Annual Increase in Base Wages Provided by New Collective Agreements Without COLA Clauses, by Industry[1]

	1978	1979	1980	1981	1982	1983
			(percentage change)			
All industries	7.2	8.7	11.1	13.3	9.9	5.6
Commercial	7.7	9.5	11.6	13.9	9.6	5.5
Primary	7.1	9.2	12.9	15.1	11.5	6.3
Manufacturing	7.8	9.9	12.2	12.6	10.7	5.1
Transportation & communication	7.1	8.9	11.0	13.9	8.3	5.6
Trade, finance & insurance	9.9	10.3	11.4	14.3	10.5	5.3
Commercial services	6.0	8.1	10.4	13.7	10.9	5.6
Non-commercial	6.7	8.3	10.9	13.1	10.0	5.6
Private	8.3	9.9	11.7	13.5	10.6	5.3
Public	6.7	8.3	11.0	13.2	9.7	5.6
Federal	6.6	8.4	10.8	12.6	8.0	5.5
Provincial	7.2	8.3	11.2	13.6	10.6	5.6
Local	6.4	8.7	10.6	13.2	12.9	5.7
Education, health & welfare	6.5	8.1	11.0	13.6	11.1	5.7
Utilities	6.7	7.8	10.8	13.7	11.3	6.6

(1) Labour Canada reports wage settlements based on different methods of classifying contract settlements according to industry. The commercial/non-commercial breakdown employs the 'standard industrial classification' system used by Statistics Canada which organizes establishments according to their principal economic activity. For example, a government-owned transit system or Post Office is classed among other transportation and communication establishments under the commercial sector, and not under the non-commercial sector as part of the government. The private/public breakdown classifies contracts according to the industry of the employer so contracts involving Post Office workers will be classified under the federal government in the public sector. Another example is Air Canada which is included under both the commercial and public sector categories.

Source: Calculated by the Department of Finance from Labour Canada data.

leading to the imposition of anti-inflation controls in October 1975. The second major run-up followed the controls period as non-COLA wage settlements advanced from 7.2 per cent in 1978 to 13.3 per cent in 1981. A recession and the introduction of restraint programs by federal and provincial governments acted to lower the increase in non-COLA wage settlements to 5.6 per cent in 1983, its lowest annual increase since Labour Canada began reporting wage settlements data in 1967.

Tables 4.6 and 4.7 report average annual increases in base rates for non-COLA wage settlements by industry and province, respectively, over the 1978 to 1983 period. Industry settlements are classified on a commercial/non-commercial sector basis following Statistics Canada's "Standard Industrial Classification Code", and on a private/public sector basis as more recently defined by Labour Canada. From these tables it is possible to make some comparisons of wage settlement developments by industry and province over the most recent cycle in wage settlements.

Negotiated wage settlements, in general, are determined by a number of factors including labour demand pressures, the ability of firms to pay, changes in the cost of living, and labour pro-

Table 4.7

Average Annual Increase in Base Wages Provided by New Collective Agreements Without COLA Clauses, by Province[1]

	1978	1979	1980	1981	1982	1983
			(percentage change)			
Newfoundland	6.8	7.5	11.9	12.3	12.0	4.6
Prince Edward Island	9.2	9.4	11.0	14.2	12.0	7.2
Nova Scotia	7.9	9.7	12.4	13.6	10.2	6.7
New Brunswick	9.7	7.9	11.1	15.6	12.0	7.8
Quebec	9.0	9.9	11.9	12.4	10.1	5.1
Ontario	6.7	8.1	10.3	12.8	11.0	5.9
Manitoba	6.1	8.7	10.7	14.7	11.9	6.1
Saskatchewan	6.9	8.0	9.9	12.7	13.8	6.5
Alberta	7.6	8.2	11.6	14.3	12.6	6.9
British Columbia	6.7	9.4	13.2	15.1	7.8	3.6

[1] Does not include contracts ratified in the Yukon and Northwest Territories nor those contracts which affect workers in more than one province.

Source: Calculated by Department of Finance from Labour Canada data.

ductivity. Differences in wage settlements across industries will reflect these general economic forces on a more industry-specific basis in addition to other industry-specific factors such as relative strengths of union vis-à-vis management bargaining power, timing of wage rounds and relative wage relationships. Keeping these considerations in mind, a number of interesting comparisons of wage settlement increases across industries can be made from Table 4.6.

During the run-up of wage settlements over the 1978 to 1981 period, increases in non-COLA wage settlements in the commercial and private sectors outpaced their counterparts, the non-commercial and public sectors (Table 4.6). Within the commercial industries during the first few years of the run-up, larger settlements were reported in the manufacturing and trade industries. However, at the time of the peak increase for all industries in 1981, primary industries such as forestry and mining reported the largest wage settlements on average. Within the public sector, wage settlements in provincial administrations outpaced those in the federal sector over the run-up.

The decline in wage settlements since 1981 has been widespread across industries. In 1983, wage settlements for most industrial categories listed in Table 4.6 were less than half their increase reported for 1981, the year average wage settlements peaked. Wage settlements provided similar increases in both the private and public sectors in 1983. The largest settlement increases in 1983 were reported in primary industries within the commercial sector and in the utilities group within the public sector.

Wage settlements in all provinces tended to follow the general profile of the all-industries aggregate, increasing over the 1978 to 1981 period and falling thereafter. There were, however, differences in the level of wage settlements over the run-up and run-down periods. New Brunswick reported the largest wage settlements in both the trough and peak years of the run-up. The largest run-up and run-down in wage settlements took place in British Columbia as settlements moved from an average of 6.7 per cent in 1978 to 15.1 per cent in 1981 and then fell to 3.6 per cent in 1983. British Columbia's average wage settlements were also the lowest among the provinces in 1983 as all other provinces reported increases of between 5 and 8 per cent.

Shares of Net National Income

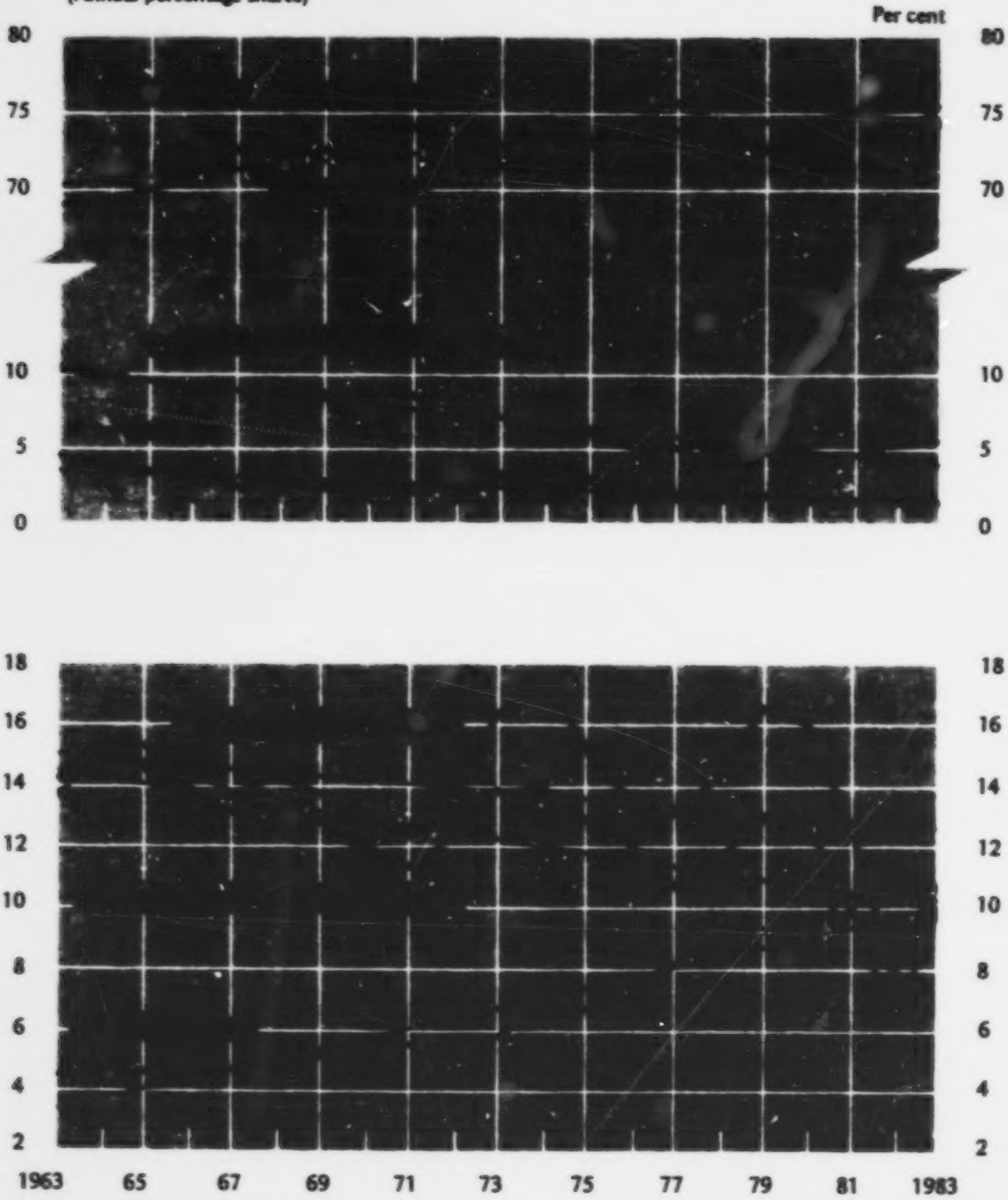
Income share developments in 1983 reflected the movement of the economy from recession to recovery. The corporate profit share of net national income registered its first advance since 1979, increasing to 10.8 per cent in 1983 from 7.8 per cent in 1982, reflecting the growth in sales and lower operating costs, particularly unit labour costs and interest expenses (Chart 4.4).

The labour income share, which increased over the 1980 to 1982 period, declined to 74.1 per cent in 1983 from its 1982 peak of 77.4 per cent, reflecting moderating wage increases. Despite these developments, the corporate profit share in 1983 remained well below its average of 14.4 per cent recorded during the 1970s, while the labour income share remained above its average of 73.5 per cent. The investment income share declined in 1983 reflecting the decline in the personal savings rate and interest rates. Both non-farm unincorporated business income and farm income, as shares of net national income, registered small declines in 1983.

Chart 4.4

Shares of Net National Income at Factor Cost

(Annual percentage shares)



(1) Excluding inventory valuation adjustment

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

5. Balance of Payments

Canada's international transactions in 1983 were characterized by a strong rebound in merchandise imports, as the pace of domestic economic activity picked up, and by a noticeable decline in the volume of net new issues of long-term securities abroad as the traditional long-term interest rate differential in Canada's favour narrowed. The Canadian dollar was relatively stable against the U.S. dollar but continued to appreciate against most other major currencies. There was a modest increase in the level of Canada's official international reserves.

The Current Account

The current account of Canada's balance of payments moved from a deficit of close to $6 billion in 1981 to a surplus of $3 billion in 1982. A cyclical decline in imports was the principal factor behind this, although special factors such as the increase in demand in the U.S. for larger North American type cars produced in Canada and the decline in Canada's petroleum imports also played important roles. In 1983, the trade balance fell somewhat, as the growth in imports outpaced that of exports and this, together with an increase in the deficit on non-merchandise transactions, resulted in a decline in the current account surplus to $1.6 billion (Table 5.1 and Chart 5.1).

Merchandise Trade

At $18.0 billion the surplus on merchandise trade in 1983 remained high by historical standards, but down slightly from the record $18.3 billion surplus established the previous year (Table 5.1). A strong recovery in imports more than accounted for the change. Over all, imports increased 10.5 per cent (Table 5.2) and 14.8 per cent in current and constant dollar terms respectively by the fourth quarter of 1983 imports had recovered to pre-recession levels. Exports, which held up well in 1982 in the face of international recession, also increased, albeit at a more moderate rate than imports, rising 7.9 per cent (Table 5.3) and 9.0 per cent in nominal and constant dollar terms.

With import prices declining more than export prices, Canada's merchandise terms of trade improved in 1983. This improvement followed three successive years of decline, and was an important factor slowing the decline in the current account surplus in 1983. Declines in average import prices for crude materials and higher export prices for lumber and manufactured end products, including automotive products, contributed to this development, although changes in the composition of export and import volumes also played a part.

The strong economic recovery in the U.S. was the principal underlying factor in the increase in Canadian exports in 1983. Exports to other major geographical regions, apart from Japan, were down. A more hesitant economic recovery in a number of other major industrial countries, economic difficulties in many of the larger developing countries – particularly in Latin America – and the strength of the North American currencies relative to other major currencies contributed to this pattern. Exports of automotive products, crude petroleum and related products, lumber, and non-ferrous metals registered sizeable increases, while exports of natural gas, machinery, and pulp and paper fell (Table 5.3).

Reflecting the strength of the economic recovery, imports rose strongly in 1983 and, except for crude petroleum where prices and volumes fell considerably, the increase was broadly based. The bulk of the increase in imports was accounted for by the U.S. and Japan. Geographically, Canada's trade balance with the U.S. improved, however, there were declines in bilateral balances with many of our other trading partners (Table 5.4).

Canada's trade balances by major commodity group have typically shown substantial and growing surpluses in agricultural products and fabricated materials, such as lumber, newsprint, chemicals and metals, and a large and increasing deficit in manufactured end products. These developments primarily reflect growth in the overall volume of trade and prices rather than structural changes. In recent years, however, the balance on trade in crude materials has been strongly influenced by domestic and international developments in the petroleum area.

Table 5.1
Summary of the Current Account of Canada's Balance of International Payments

	1977	1978	1979	1980	1981	1982	1983
				(billions of dollars)			
Merchandise exports	44.5	53.4	65.6	77.1	84.5	84.6	91.3
Merchandise imports	41.5	49.0	61.2	68.3	77.1	66.2	73.2
Balance of trade							
Nominal	3.0	4.3	4.4	8.8	7.4	18.3	18.0
Real (1971 dollars)	0.1	1.6	−0.3	1.1	1.5	5.5	4.7
Service receipts	8.3	9.9	12.0	14.3	16.1	16.9	16.9
Service payments	16.0	19.2	21.9	25.4	30.8	33.6	34.3
Balance on services	−7.7	−9.3	−9.9	−11.1	−14.7	−16.8	−17.3
Total receipts	52.8	63.3	77.5	91.4	100.6	101.4	108.2
Total payments	57.6	68.3	83.0	93.7	107.9	99.9	107.5
Balance on goods and services	−4.7	−5.0	−5.5	−2.3	−7.3	1.6	0.7
Net transfers	0.4	0.1	0.7	1.3	1.6	1.4	0.9
Balance on current account	−4.3	−4.9	−4.8	−1.1	−5.8	3.0	1.6

Note: Balances may not be the sum of the detail due to rounding.
Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001.

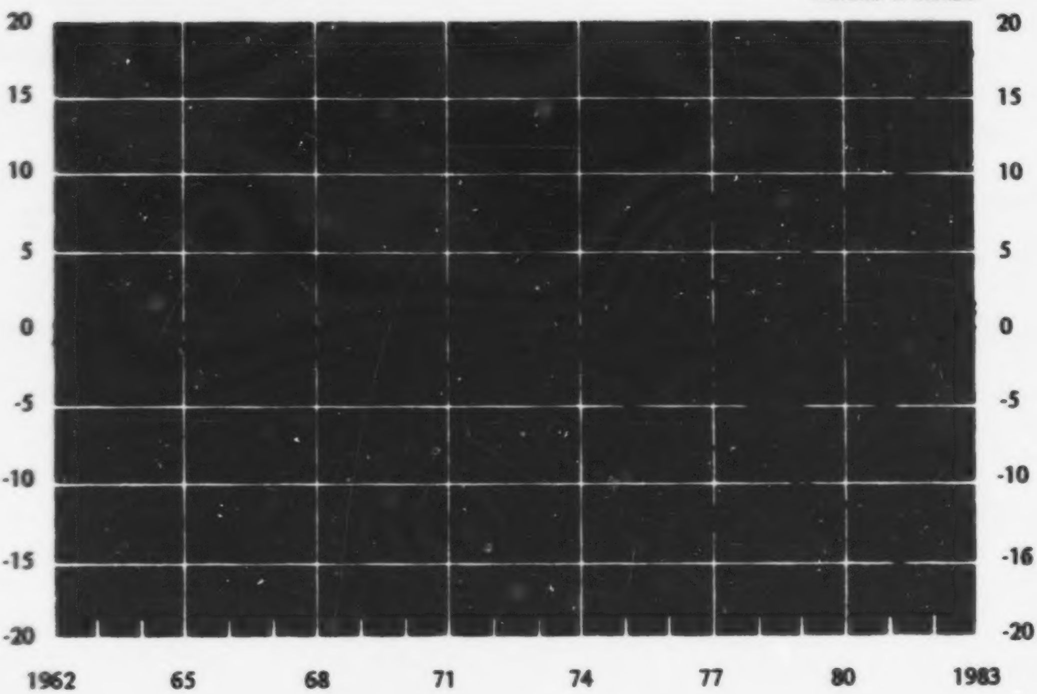
The balance of trade improved in all major commodity categories in 1982 (Table 5.4). The greatest improvement occurred in trade in manufactured end products, as imports of automotive products, machinery and equipment declined and exports to the U.S. registered a strong increase. The surplus on crude materials rebounded that year, primarily reflecting the substantial decline in the value of crude petroleum imports. In 1983, imports of crude petroleum continued to weaken and the surplus on crude materials trade widened to $7.2 billion. The surplus on fabricated materials remained virtually unchanged at $16.0 billion although both exports and imports were stimulated by the recovery in the international economy. After peaking at $21.0 billion in 1981, the deficit on manufactured end products declined by $8.3 billion to $12.7 billion in 1982, but rebounded to $14.9 billion in 1983. Lower and more stable interest rates as well as increased consumer confidence in the economic recovery led to a substantial increase in automobile imports, which partly offset the rapidly advancing exports of motor vehicles and parts. The balance on automotive products registered a surplus of $2.0 billion in 1983, up by more than $0.5 billion from the previous year's pace. Imports of machinery and equipment as well as other manufactured end products showed noticeable growth.

Services

Service payments have traditionally exceeded service receipts, largely reflecting Canada's net

Chart 5.1

Balance of Payments Current Account



Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, quarterly, cat. 67-001.

international indebtedness position and the corresponding net outflow of interest and dividend payments to non- residents. The deficit on service transactions reached $17.3 billion in 1983, up $0.5 billion from the previous year (Table 5.5).

Net interest payments to non-residents represent the most significant component of Canada's service transactions and have accounted for much of the growth in the services deficit in recent years. There was a sharp increase in 1982 of close to $2.5 billion in net interest payments to $7.5 billion, reflecting an increase in bond indebtedness to the rest of the world, as corporations and provinces relied heavily on international markets to raise funds, and large increases in average interest rates payable on debt. Although operating on a reduced scale, an increase in average interest rates payable on outstanding debt and a higher level of bond indebtedness contributed to a further increase in 1983 in net interest payments to a level of $8.5 billion.

After edging up for many years, the deficit on dividend payments showed little change during the late 1970s and early 1980s, averaging about $1.5 billion per year. The recession led to a substantial reduction of dividend payments abroad in 1982, which was largely offset by a decline in dividend receipts. In 1983, dividend receipts picked up somewhat and the deficit on this account narrowed to $0.9 billion.

The "other services" category in the balance of payments includes miscellaneous income flows (including interest on unfunded debt), government transactions, business services and other

Table 5.2

Canada's Merchandise Imports[1]
(Balance of Payments Basis)

	1977	1978	1979	1980	1981	1982	1983
				(billions of dollars)			
Agricultural products	3.3	3.8	4.2	4.8	5.2	4.9	5.0
Crude materials	5.3	5.9	8.0	11.3	12.3	8.7	7.2
Crude petroleum	3.2	3.5	4.5	6.9	8.0	5.0	3.3
Fabricated materials	7.0	8.7	12.0	12.7	14.5	11.8	14.0
Manufactured end-products	26.1	31.0	37.8	39.4	46.0	40.9	47.8
Motor vehicles and parts	11.3	13.1	14.9	13.3	15.7	14.6	18.7
Machinery and equipment	10.6	13.1	17.2	19.7	23.1	19.4	21.3
Miscellaneous	−0.2	−0.4	−0.9	0.1	−1.0	−0.1	−0.8
Total	41.5	49.0	61.2	68.3	77.1	66.2	73.2
				(percentage share of total)			
Agricultural products	8.0	7.7	6.9	7.0	6.8	7.5	6.8
Crude materials	12.8	12.0	13.0	16.6	16.0	13.1	9.8
Crude petroleum	7.7	7.0	7.4	10.1	10.4	7.5	4.5
Fabricated materials	16.8	17.8	19.7	18.6	18.9	17.8	19.1
Manufactured end-products	62.8	63.2	61.8	57.6	59.7	61.7	65.3
Motor vehicles and parts	27.3	26.7	24.3	19.5	20.4	22.0	25.6
Machinery and equipment	25.5	26.7	28.1	28.9	30.0	29.3	29.1
Miscellaneous	−0.4	−0.7	−1.4	0.1	−1.3	−0.1	−0.1
Total	100	100	100	100	100	100	100

Note: Figures may not add due to rounding.

(1) Trade data on a balance of payments basis are basically those obtained from customs documents adjusted to represent more accurately all economic transactions between residents and non-residents with financial implications for the balance of payments. Customs data include only the physical movement of goods as reflected in the customs reports. Adjustments for timing, coverage and valuation are made to convert these data to a balance of payments basis. The balance of payments adjustments reported by Statistics Canada were allocated to these commodity groupings by the Department of Finance.

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001; and Department of Finance.

Table 5.3

Canada's Merchandise Exports[1]
(Balance of Payments Basis)

	1977	1978	1979	1980	1981	1982	1983
				(billions of dollars)			
Agricultural products	4.7	5.3	6.3	8.3	9.5	10.2	10.4
Wheat	2.0	1.9	2.2	3.9	3.8	4.3	4.7
Crude materials	8.9	8.9	12.8	14.8	15.2	14.9	14.4
Crude petroleum	1.7	1.6	2.5	2.8	2.5	2.7	3.5
Natural gas	2.1	2.2	3.1	4.0	4.4	4.8	3.9
Ores	2.7	2.4	3.9	4.2	4.1	3.2	2.9
Fabricated materials	14.9	19.2	24.4	29.3	30.5	27.9	30.0
Lumber	2.4	3.2	3.9	3.4	3.0	2.9	4.0
Pulp and paper	4.5	5.1	6.3	7.6	8.1	7.3	7.1
Metals	3.5	4.7	5.3	8.1	7.7	6.8	7.1
Manufactured end products	15.0	18.6	20.7	21.5	25.1	28.3	33.1
Motor vehicles and parts	10.2	12.3	11.6	10.6	12.9	16.2	21.0
Machinery and equipment	4.0	5.2	7.3	8.5	10.0	10.0	9.7
Miscellaneous	1.0	1.5	1.4	3.2	4.0	3.3	3.3
Total	44.5	53.4	65.6	77.1	84.5	84.6	91.3
				(percentage of total)			
Agricultural products	10.5	9.9	9.6	10.7	11.3	12.1	11.4
Wheat	4.4	3.6	3.3	5.0	4.5	5.1	5.1
Crude materials	20.0	16.6	19.6	19.1	18.0	17.6	15.7
Crude petroleum	3.9	3.0	3.9	3.7	3.0	3.2	3.9
Natural gas	4.7	4.1	4.7	5.2	5.2	5.7	4.3
Ores	6.1	4.5	5.9	5.5	4.8	3.8	3.2
Fabricated materials	33.5	35.9	37.2	38.1	36.2	32.9	32.9
Lumber	5.4	6.1	5.9	4.4	3.5	3.4	4.3
Pulp and paper	10.2	9.5	9.6	9.8	9.6	8.6	7.7
Metals	8.0	8.8	8.0	10.5	9.2	8.0	7.8
Manufactured end products	33.7	34.8	31.5	27.9	29.8	33.5	36.3
Motor vehicles and parts	22.9	23.0	17.7	13.8	15.2	19.1	23.0
Machinery and equipment	8.9	9.8	11.1	11.0	11.8	11.8	10.6
Miscellaneous	2.2	2.7	2.1	4.1	4.8	3.9	3.6
Total	100	100	100	100	100	100	100

Note: Figures may not add due to rounding.

[1] See footnote to Table 5.2

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001; and Department of Finance.

Table 5.4

Trade Balance by Geographical Region and Commodity Group (Customs Basis)

	1977	1978	1979	1980	1981	1982	1983
				(billions of dollars)			
By country							
United States	1.3	1.9	– 1.0	– 0.4	0.9	9.8	12.2
United Kingdom	0.7	0.4	0.7	1.3	1.0	0.8	0.7
Other EEC(9)	0.4	– 0.1	1.0	2.8	1.5	1.0	0.2
Japan	0.7	0.8	1.9	1.6	0.5	1.1	0.4
Other OECD	0.0	– 0.3	0.0	0.3	0.3	0.2	– 0.4
OPEC	– 1.7	– 1.4	– 1.9	– 3.1	– 3.2	– 0.5	– 0.1
Eastern Europe	0.4	0.7	0.9	1.8	2.0	2.3	1.9
People's Republic of China	0.3	0.4	0.4	0.7	0.8	1.0	1.4
Other	0.1	0.7	0.7	1.9	0.6	0.8	– 0.8
Total	2.2	3.1	2.8	6.9	4.3	16.7	15.4
By commodity group							
Agricultural products	1.3	1.5	2.1	3.5	4.2	5.3	5.4
Crude materials	3.5	2.9	4.6	3.4	2.9	6.1	7.2
Fabricated materials	7.9	10.4	12.4	16.6	16.0	16.1	16.0
Manufactured end products	– 11.1	– 12.4	– 17.1	– 17.8	– 21.0	– 12.7	– 14.9
Motor vehicles and parts	– 1.2	– 0.8	– 3.3	– 2.7	– 3.0	1.4	2.0
Miscellaneous	0.5	0.6	0.9	1.2	2.2	2.0	1.7
Total	2.2	3.1	2.8	6.9	4.3	16.7	15.4

Note: Figures may not add due to rounding.

Source: Statistics Canada, *Summary of External Trade*, monthly, cat. 65-001.

heterogeneous service items. In recent years, movements in the balance on other services have been strongly influenced by changes in the balance on miscellaneous income and these, in turn, have largely reflected developments in short-term interest rates and the level of Canada's net international short-term debt. The average level of short-term interest rates declined in 1983 and miscellaneous income receipts and payments declined. The overall deficit on other services narrowed by $0.5 billion to $5.3 billion.

The travel account is sensitive to price and income developments at home and in the rest of the world. After peaking at $1.7 billion in 1978, the travel deficit fluctuated in a range of $1.1 - 1.3 billion for the next four years. In 1983 the deficit on travel widened to $2.1 billion. The number of Canadian travellers to countries other than the U.S. rose as trans-Atlantic airfares were discounted and the Canadian dollar continued to gain strength against other major currencies. The number of both one-day and long-term travellers to the U.S. rose sharply in 1983. A small increase in U.S. travellers to Canada was offset by a decline in the number of non-U.S. visitors. Over the past three years the Canadian dollar has moved up strongly against most major international currencies, aside from the U.S. dollar, and

Table 5.5
Services Balance

	1977	1978	1979	1980	1981	1982	1983
				(billions of dollars)			
Travel	−1.6	−1.7	−1.1	−1.2	−1.1	−1.3	−2.1
Freight and shipping	0.0	0.1	0.3	0.5	0.4	0.6	0.5
Interest	−2.6	−3.4	−3.8	−4.1	−4.9	−7.5	−8.5
Dividends	−1.2	−1.5	−1.5	−1.5	−1.7	−1.5	−0.9
Other services	−1.7	−2.2	−3.0	−3.8	−6.3	−5.9	−5.3
Miscellaneous income	−0.4	−0.7	−1.3	−1.6	−3.9	−2.9	−2.3
Government, business and other	−1.3	−1.6	−1.7	−2.3	−2.4	−2.9	−3.0
Withholding tax	−0.5	−0.6	−0.8	−1.0	−1.1	−1.2	−1.0
Total	−7.7	−9.3	−9.9	−11.1	−14.7	−16.8	−17.3

Note: Figures may not add due to rounding.
Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001.

this, together with the relatively weaker pace of economic activity abroad, largely accounts for the decline in the number of non-U.S. travellers.

International Financial Flows

Long-term interest rate differentials in Canada's favour narrowed significantly during 1983 and the volume of long-term funds raised abroad by Canadians declined. For the year as a whole, the net inflow of long-term capital totalled $2.8 billion, down from 1982's record $9.1 billion (Table 5.6 and Chart 5.2).

Net new issues of long-term bonds at $5.0 billion were well below the flows recorded the previous two years. Although interest rate spreads narrowed as the year progressed, there was a noticeable pick-up of net inflows in this form in the fourth quarter. Provincial governments and their enterprises accounted for the bulk of the foreign borrowing, while the volume of new issues of private corporate bonds placed abroad was much less than in 1982. On the other hand, Canadian corporations raised substantial amounts abroad through new equity issues in a buoyant stock market. Of gross new long-term Canadian bonds issued abroad, close to 30 per cent were issued in the U.S. and about 60 per cent in Europe. Slightly over half of the Canadian new issues in Europe were U.S.-pay issues.

During 1981, Canada's international financial transactions were dominated by corporate takeover and merger activity, particularly in the energy sector, and large direct investment outflows were recorded. Takeover activity was considerably reduced in 1982 compared to 1981, and this continued to be the case in 1983. Nevertheless, takeover and other special transactions continued to have an important impact on the scale of direct investment flows. In 1983 a net outflow of $2.3 billion was recorded on direct investment account, excluding special transactions such as takeovers, however, there was a net outflow of less than $1 billion. Canada's offi-

Table 5.6
Canada's Balance of International Payments

	1977	1978	1979	1980	1981	1982	1983
				(billions of dollars)			
Current account balance	−4.3	−4.9	−4.8	−1.1	−5.8	3.0	1.6
Merchandise balance	3.0	4.3	4.4	8.8	7.4	18.3	18.0
Services balance	−7.7	−9.3	−9.9	−11.1	−14.7	−16.8	−17.3
Net transfers	0.4	0.1	0.7	1.3	1.6	1.4	0.9
Long-term capital flows	4.3	3.2	2.1	1.2	0.1	9.1	2.8
Direct investment in Canada	0.5	0.1	0.8	0.8	−4.4	−1.4	0.2
Direct investment abroad	−0.7	−2.3	−2.6	−3.2	−6.9	−0.2	−2.5
New issues of Canadian securities	6.0	6.7	5.2	5.6	14.1	16.2	10.6
Other	−1.4	−1.3	−1.4	−2.0	−2.6	−5.5	−5.5
Short-term capital flows	0.9	1.5	7.1	−0.2	15.9	−8.8	2.8
Chartered banks' net foreign currency position with non-residents	1.4	2.8	4.1	1.3	17.6	−4.0	1.6
Non-bank holdings of short-term funds abroad	−0.7	−0.7	0.1	−0.5	−6.9	−3.0	0.7
Other	0.2	−0.6	2.9	−1.0	5.2	−1.7	0.5
Total capital flows	5.2	4.7	9.1	1.0	16.0	0.3	5.5
Errors and omissions	−2.3	−3.1	−2.6	−1.4	−9.0	−4.0	−6.6
SDR allocation	0.0	0.0	0.2	0.2	0.2	0.0	0.0
Net official monetary movements	−1.4	−3.3	1.9	−1.3	1.4	−0.7	0.5
Official international reserves	−1.4	−0.2	−0.9	−0.5	0.4	−0.7	0.5
Official monetary liabilities	0.0	−3.1	2.8	−0.7	1.0	0.0	0.0

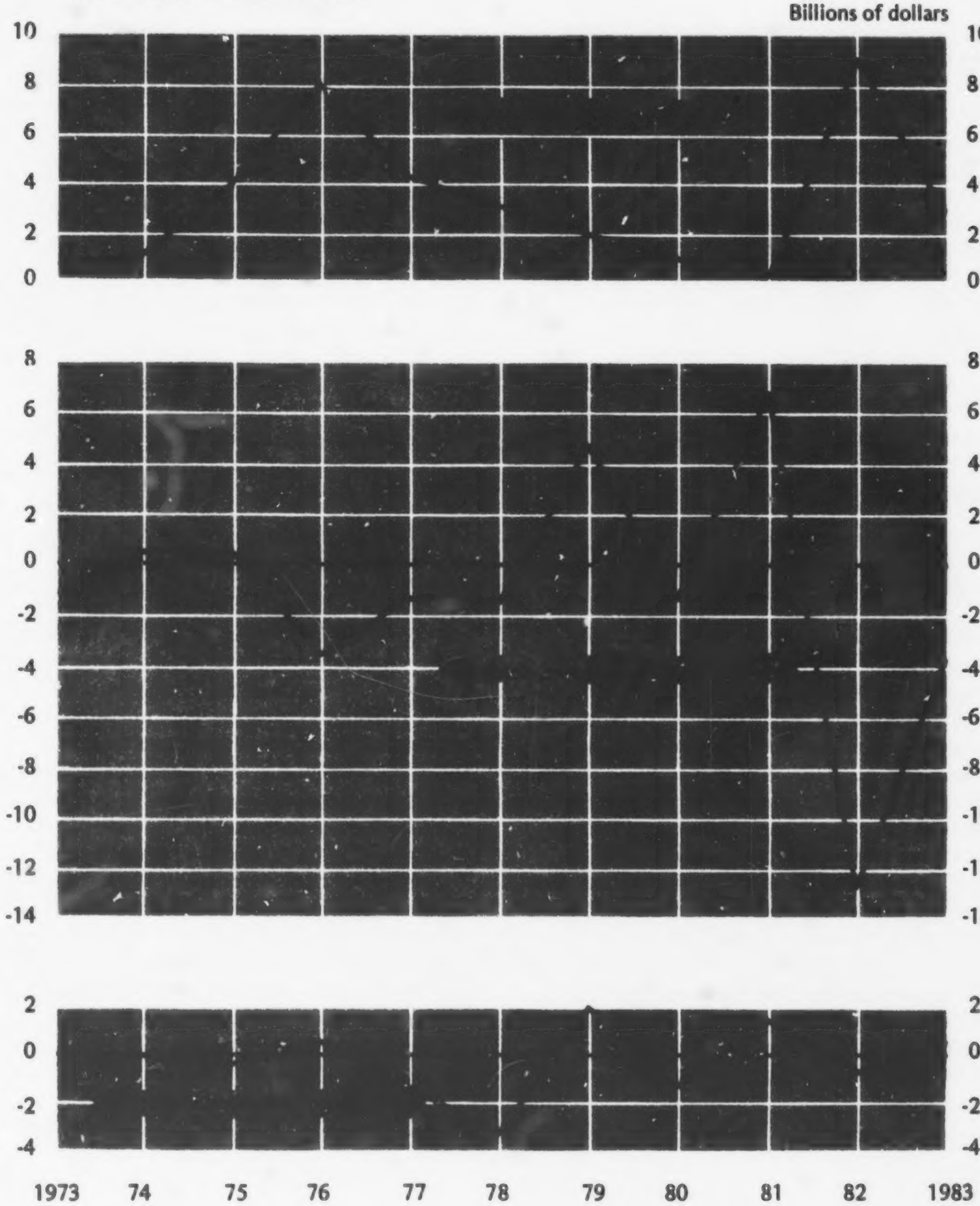
Note: Balances may not add due to rounding.
Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001.

cial balance of payments statistics do not include retained earnings accruing to foreign investors in the figures on direct investment taking such reinvested earnings into account, there was a net inflow of direct investment of approximately $1.5 billion.

Transactions in short-term financial instruments between Canadians and non-residents produced a net inflow of $2.8 billion, a substantial swing from the $8.8 billion outflow recorded in 1982. In recent years, short-term capital flows have exhibited large quarter-to-quarter and year-to-year movements, with flows through the banking system generally dominating the movement. In 1983, net international flows through the Canadian banking system were down considerably from the pace of the previous two years, when transactions related to the financing of takeover activity

Chart 5.2

International Financial Flows



(1) Includes net errors and omissions.

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, quarterly, cat. 87-001.

and the introduction of a new Bank Act had important effects.

Canadian short-term interest rates were below comparable rates in the U.S. during much of the second half of the year. The discount on the U.S. dollar in the forward market generally offset this, and Canadian borrowers continued to raise funds in the U.S. money market. For the year as whole, net purchases of Canadian money market paper by non-residents amounted to $2.2 billion, with much of this occurring in the second half of the year. Foreign purchases of federal Treasury bills and short-term paper of federal and provincial enterprises accounted for the bulk of the inflow. The net "errors and omissions" or balancing item in the accounts was equivalent to an outflow of $6.6 billion. On a yearly basis this balancing item has been consistently equivalent to an outflow for some time now and in recent years has been noticeably large.

The Exchange Rate

Unlike the volatility experienced in 1982, the Canadian dollar was very stable during 1983, trading in a narrow range against its U.S. counterpart. It followed a gentle downward trend against the U.S. dollar in the first half of the year but started to edge upwards in the early autumn. In the last two months of the year, it weakened as the U.S. dollar moved up against most major international currencies, touching record highs against several. The Canadian dollar reached the low for the year of U.S. $0.7990 on December 14 and it closed 1983 at U.S. $0.8036, down by slightly more than one U.S. cent from the end of 1982. Its average level, however, was virtually unchanged from 1982. As in 1981 and 1982, the Canadian dollar continued to appreciate against most other major currencies, rising by 8 per cent against the Swiss franc, 10.8 per cent against the pound sterling, 13.6 per cent against the Deutschemark, 19.5 per cent against the Italian lira and 22.5 per cent against the French franc.

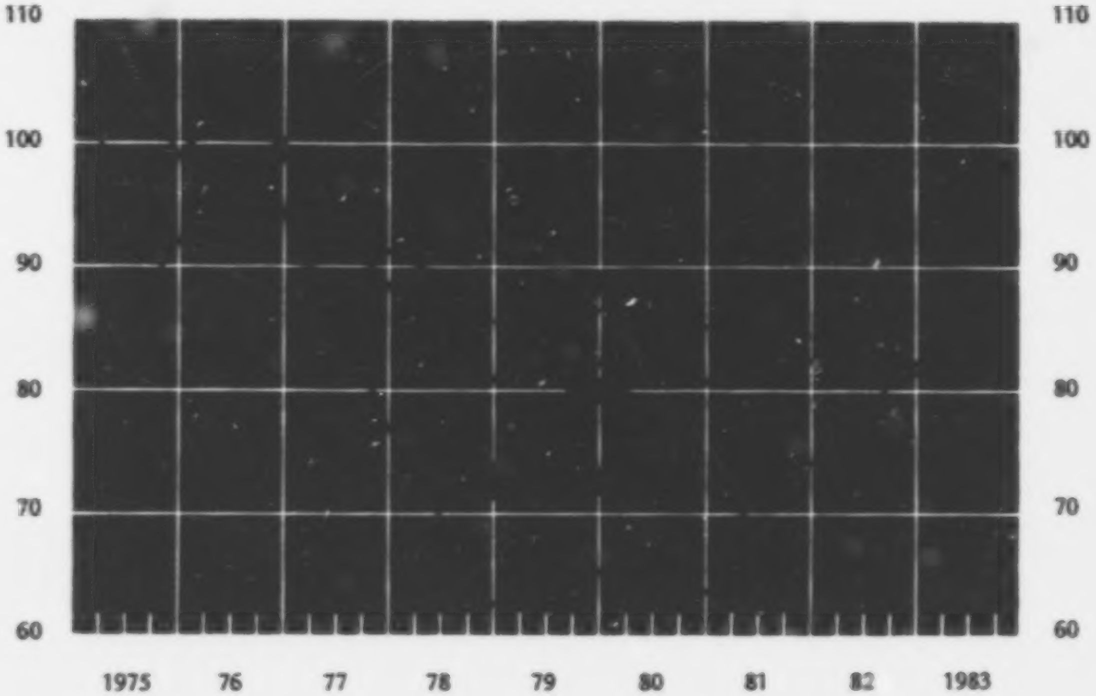
Effective exchange rate indices can be used to summarize the dollar's performance against other currencies. These indices combine the various bilateral exchange rates for the dollar, using weights that reflect the pattern of Canadian trade. On the basis of a trade-weighted index of average noon exchange rates (see Reference Table 75), in 1983 the Canadian dollar rose 1.2 per cent against the Group-of-Ten currencies and by 6.1 per cent against this same group of currencies excluding the U.S. dollar (Chart 5.3). The appreciation against the latter group was a continuation of a trend that emerged in 1981 and brought the average value of the dollar in terms of these currencies back to its mid-1977 level.

Official International Reserves and Official Foreign Currency Financing

Official operations in the foreign exchange market continued to be directed towards maintaining orderly trading conditions. In view of the stability of the external value of the Canadian dollar in 1983, changes in reserves were not large. Official intervention operations along with foreign currency borrowings and repayments associated with reserves management, and other government business accounted for the bulk of the change in Canada's official international reserves. The net effect of new borrowings and repayments of long-term foreign currency debt was to reduce reserves by almost $500 million. There were no transactions under the standby credit facilities Canada maintains with Canadian and foreign banks. At year's end, Canada's official international reserves stood at U.S. $4.2 billion, up U.S. $411 million from the end of 1982.

Chart 5.3

Prices Indexes for the Canadian Dollar Relative to the Currencies of the Group of Ten Countries(1), 1971 = 100



(1)The various currencies are weighted to reflect each country's average share of Canada's foreign trade between 1977 and 1981. The Group of Ten (G-10) includes Germany, Belgium, Canada, the United States, France, Italy, the Netherlands, the United Kingdom, Sweden, Japan and Switzerland.

Source: Bank of Canada, *Review*, monthly and Department of Finance.

6. The Government Sector

This chapter examines developments in the government sector of the economy during 1983. The budget balance positions, revenues and expenditures of the federal government, the provincial-local-hospital sector, the Canada and Quebec Pension Plans and the total government sector are reviewed. Additional information on governments' financial requirements and debt management is provided. The analysis of cyclically-adjusted and inflation-adjusted budget balances provided in a number of previous issues of the *Economic Review* is updated. International comparisons of government budget balances and expenditures can be found in the reference tables.[1]

Federal Government

Table 6.1 sets out the revenues, expenditures and deficits of the federal government over the period 1975 to 1983. The deficit, on a national accounts basis, rose over this period both in absolute terms and as a percentage of GNP. Part of the reason for this increase was the slowness in revenue growth over the period, reflecting a number of discretionary tax reductions from 1974 to 1978, the 1981-1982 recession and the continuing effects of the recession into 1983.

The growth in expenditures from 1980 on was in large part influenced by the impact of high interest rates and deficits on public debt charges, and in particular by the effect of the recession on cyclically-sensitive expenditures such as unemployment insurance benefits. In 1983, the growth in expenditures moderated considerably because of the recovery and in spite of the new initiatives introduced in the April 1983 budget for housing, direct employment and capital projects. Expressed as a percentage of GNP, the federal deficit declined from 4.6 per cent in 1978 to

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[1] Unless otherwise stated, the information in this chapter is based on national accounts calendar year data.

Table 6.1
Federal Government Revenue, Expenditure and Net Position (National Accounts Basis)

	Revenue			Expenditure			Surplus or deficit (–)	
	Millions of dollars	Percentage change	Percentage of GNP	Millions of dollars	Percentage change	Percentage of GNP	Millions of dollars	Percentage of GNP
1975	31,703	5.8	19.2	35,508	23.0	21.5	–3,805	–2.3
1976	35,313	11.4	18.4	38,704	9.0	20.2	–3,391	–1.8
1977	36,508	3.4	17.4	43,811	13.2	20.8	–7,303	–3.5
1978	38,390	5.2	16.5	49,016	11.9	21.1	–10,626	–4.6
1979	43,586	13.5	16.5	52,717	7.6	19.9	–9,131	–3.5
1980	51,165	17.4	17.3	61,045	15.8	20.6	–9,880	–3.3
1981	65,198	27.4	19.2	72,182	18.2	21.3	–6,984	–2.1
1982	65,583	0.6	18.4	86,085	19.3	24.1	–20,502	–5.7
1983	70,238	7.1	18.1	94,695	10.0	24.4	–24,457	–6.3

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

Table 6.2
Federal Government Revenue
(National Accounts Basis)

	1982		1983	
	Millions of dollars	Percentage change	Millions of dollars	Percentage change
Direct taxes – persons				
Personal income taxes	25,746	12.1	26,809	4.1
Employer/employee contributions to government pension funds	1,567	3.0	1,623	3.6
Employer/employee contributions to unemployment insurance	4,811	2.0	7,002	45.5
Total	32,125	10.0	35,434	10.3
Direct taxes – corporations				
Corporate income taxes	5,817	–32.4	7,690	32.2
Petroleum and gas revenue tax	1,516	54.5	1,734	14.4
Incremental oil revenue tax	205	n.a.	87	–57.6
Total	7,538	–21.4	9,511	26.2
Non-resident tax	1,178	6.1	1,043	–11.5
Indirect taxes				
Sales and other excise taxes	6,480	–4.1	7,141	10.2
Oil export charge	670	–31.3	341	–49.1
Customs import duties	2,876	–17.5	3,207	11.5
Excise duties	1,241	6.0	1,340	8.0
Gasoline excise tax	408	–8.9	404	–1.0
Petroleum compensation charges	3,283	–23.0	1,782	–45.7
Natural gas and gas liquids tax	1,238	46.5	708	–42.8
Canadian ownership special charge	908	44.1	751	–17.3
Other(1)	282	6.8	298	5.7
Total	17,386	–7.7	15,972	–8.1
Investment income	6,288	14.0	7,068	12.4
Other revenue(2)	1,068	14.5	1,210	13.3
Total revenue	65,583	0.6	70,238	7.1

(1) Other indirect taxes include the airport tax, western grain stabilization levy and miscellaneous indirect taxes.

(2) Other revenue includes other transfers from persons and capital consumption allowances.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

2.1 per cent in 1981 before rising to 5.7 per cent in 1982 and 6.3 per cent in 1983.

Federal revenues fell from 19.2 per cent of GNP in 1975 to 16.5 per cent of GNP in 1979, before increasing again to just over 18 per cent of GNP in 1983. Federal expenditures as a share of GNP were relatively stable at 19 to 21 per cent of GNP from 1975 to 1981, but increased substantially to more than 24 per cent of GNP in 1982 and 1983.

Federal revenues increased 7.1 per cent in 1983, compared with only 0.6 per cent in 1982 (Table 6.2). A decline in indirect taxes in 1983 was offset by growth in direct taxes on persons and corporations. The decline in indirect tax revenues was led by energy-related revenues, due to lower average effective tax rates and declining domestic oil and natural gas demand. Petroleum compensation charge revenues fell 45.7 per cent or $1.5 billion in 1983, primarily reflecting a decline in average tax rates from $39.64 per cubic metre in 1982 to $23.64 in 1983 due to the narrowing of domestic and international oil price differentials. Increased crude oil exports only partially offset reductions in oil export tax rates, resulting in a decrease in oil export charge revenues of almost 50 per cent. Similarly, lower tax rates on natural gas, reflecting the decision to maintain the 65-per-cent heat-equivalent parity with oil, and increased producer prices as set out in the Amending Agreement with the province of Alberta, were the source of the decline in revenue from the natural gas and gas liquids tax. The economic recovery in 1983 contributed to increases in customs import duties and sales tax. Increased imports offset the revenue impact of continuing rate reductions from multilateral trade negotiations on customs duties, while a higher nominal sales tax base, particularly for consumer durables and building materials, reversed the 1982 decline in sales tax revenues.

Direct personal tax revenue rose 10.3 per cent in 1983. Personal income taxes rose 4.1 per cent while employer-employee contributions to the unemployment insurance fund rose 45.5 per cent due to an increase in contribution rates. Substantial growth in corporate profits in 1983 was the main source of the 26.2-per-cent increase in direct taxes on corporations, following a 21.4-per-cent decline in 1982. There was a decline in incremental oil revenue tax receipts, however, due to the suspension of the tax. A combination of an increase in the effective tax rate and higher average wellhead oil and gas prices contributed to the 14.4-per-cent increase in revenues from the petroleum and gas revenue tax in 1983.

The growth in total federal expenditure slowed to 10.0 per cent in 1983 from 19.3 per cent in 1982 (Table 6.3). All major national accounts categories of federal spending slowed, except subsidies which rose 1.2 per cent in 1983 after having fallen 13.1 per cent in 1982. The increase in gross capital formation in 1983 reflects the start-up of capital projects under the Special Recovery Capital Projects Program introduced in the April 1983 budget. Transfer payments to persons continued to show considerable growth, due to high unemployment and the federal direct job creation expenditures. Petroleum subsidies fell in 1983 as oil import compensation payments declined, due to the convergence of the world and domestic price of oil and a reduction in the volume of oil imports. The "other subsidies" category grew rapidly, reflecting, among other things, increased payments through the Canada Mortgage and Housing Corporation (CMHC) for housing initiatives.

Capital assistance expenditures increased substantially in 1983, primarily in response to increased payments under the petroleum incentives program. The growth of transfers to non-residents reflects the government's commitment to increase foreign aid to 0.5 per cent of GNP by mid-decade. The impact on public debt costs from an increase in the size of the public debt was offset by declining interest rates, resulting in a rise of only 4.5 per cent in public debt charges. Transfer payments to other levels of government increased 10.1 per cent. Payments under the Canada Assistance Plan increased in 1983 owing primarily to continuing effects of the recession. The federal contribution under the Canada Assistance Plan amounts to one-half of eligible provincial and municipal expenditures for assistance payments, welfare services and certain health services. Payments to the provinces under the Established Programs Financing arrangements were up significantly as a result of large prior year adjustments associated with Statistics Canada's historical revisions to GNP. On the other hand, transfer payments to provinces under

Table 6.3

Federal Government Expenditure
(National Accounts Basis)

	1982		1983	
	Millions of dollars	Percentage change	Millions of dollars	Percentage change
Final demand expenditure				
Current goods and services				
Wages and salaries	11,540	14.1	12,681	9.9
Other[1]	7,220	12.0	7,080	– 1.9
Total	18,760	13.3	19,761	5.3
Gross capital formation	1,424	42.1	1,756	23.3
Total	20,184	14.9	21,517	6.6
Transfers to persons				
Family allowances	2,204	12.6	2,303	4.5
OAS/GIS benefits	9,304	13.3	10,137	9.0
Unemployment insurance benefits	8,541	79.5	10,124	18.5
Other[2]	4,434	18.1	5,600	26.3
Total	24,483	31.0	28,164	15.0
Subsidies				
Petroleum compensation payments	3,042	– 31.9	2,227	– 26.8
Other[3]	2,596	28.7	3,477	33.9
Total	5,638	– 13.1	5,704	1.2
Capital assistance	2,291	199.9	3,358	46.6
Transfers to non-residents	1,040	21.1	1,162	11.7
Interest on the public debt	16,675	21.4	17,420	4.5
Transfers to other levels of government				
Canada Assistance Plan	2,650	19.2	3,280	23.8
Fiscal arrangements	5,346	28.7	5,495	2.8
Established Programs Financing	4,667	– 10.1	5,768	23.6
Extended health care	814	15.6	891	9.5
Other[4]	2,297	26.8	1,936	– 15.7
Total	15,774	12.0	17,370	10.1
Total expenditure	86,085	19.3	94,695	10.0

[1] Other goods and services include expenditure on currently produced goods and services, capital consumption allowances and capital expenditure for defence.

[2] Other transfers to persons include veterans' pensions and allowances, government pensions and transfers to native groups.

[3] Other subsidies include payments to the C.B.C., transportation subsidies and agricultural subsidies.

[4] Other transfers to other levels of government include grants to municipalities and territories in lieu of taxes, DREE grants to the provinces and bilingualism grants.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

the equalization program and the other fiscal arrangements grew only slightly in 1983, due primarily to a special population adjustment payment of $226 million in 1982. The large initial payment in 1982 for the provincial share of the oil export charge accounts for the decrease in other transfers to other levels of government in 1983.

Table 6.4 extends the national accounts balance to include loans and other transactions, and thus shows the financial requirements of the federal government. Financial requirements (excluding foreign exchange transactions) were $119 million lower than the national accounts deficit in 1983. Loans, investments and advances provided a net source of funds, reflecting net receipts from CMHC and the Federal Business Development Bank. Other transactions also provided a net source of funds in 1983, reflecting funds from the Canada Pension Plan.

Debt Management

The federal government's net direct and guaranteed domestic borrowing amounted to $26.7 billion in 1983 compared to $18.1 billion in 1982. The level of outstanding direct and guaranteed debt rose to $134.0 billion as at December 31,

Table 6.4
Federal Government Financial Transactions(1)
(Extended National Accounts Presentation)

	1982	1983
	(millions of dollars)	
Deficit (national accounts basis)	−20,502	−24,457
Loans and other transactions		
Loans, investments and advances(2)	−1,156	987
Cash versus accruals(3)	2,155	−1,003
Other transactions	−963	135
Net source or requirement (−)	36	119
Financial requirements (excluding foreign exchange transactions)(4)	−20,466	−24,338
Foreign exchange transactions(4)	2,272	−2,481
Total financial requirements(4)	−18,194	−26,819
Unmatured domestic debt transactions(5)	18,060	26,657
Change in cash balance	−134	−162
Level of cash balances at end of period	7,524	7,362

(1) The national income and expenditure accounts balances are subject to revision, and the loans and other transactions series are derived from unaudited monthly data. Any imprecision in these items would also affect the residually determined cash versus accruals series.

(2) The loans, investments and advances category includes loans to financial intermediary Crown corporations and other agencies which are not considered part of the federal government in the national accounts.

(3) In arriving at the national accounts surplus or deficit, certain items such as corporate income tax liabilities and the oil export charge are calculated on an accrual basis. This adjustment is required to convert the transactions to a cash basis.

(4) Source (+) or requirement (−).

(5) The unmatured debt transactions do not include foreign currency borrowings. Such borrowings are recorded in foreign exchange transactions and influence the government's Canadian dollar cash balances only to the extent that such funds are used to purchase Canadian currency in foreign exchange markets.

Source: Department of Finance.

Table 6.5
Outstanding Government of Canada Direct and Guaranteed Securities (Denominated in Canadian Dollars)

	Treasury bills		Marketable bonds		Canada Savings Bonds		Total
	Billions of dollars	Per cent of total	Billions of dollars	Per cent of total	Billions of dollars	Per cent of total	Billions of dollars
1975	6.2	16.4	15.9	41.9	15.8	41.5	37.9
1976	7.8	18.6	17.7	42.0	16.6	39.4	42.2
1977	10.3	20.6	21.6	43.0	18.3	36.4	50.2
1978	13.1	22.6	24.8	42.7	20.2	34.7	58.1
1979	15.2	23.2	31.6	48.1	18.9	28.7	65.7
1980	20.7	26.9	38.8	50.2	17.6	22.8	77.1
1981	20.7	23.2	43.0	48.2	25.6	28.7	89.2
1982	25.7	24.0	47.9	44.6	33.7	31.4	107.3
1983	39.0	29.1	55.3	41.3	39.7	29.6	134.0

Source: Bank of Canada, Review, monthly.

1983 (Table 6.5). Of the $26.7 billion of net borrowing, $13.3 billion was raised through the issue of Treasury bills, $7.4 billion through marketable bonds, and a further $6.0 billion through Canada Savings Bonds (CSBs).

The $13.3 billion raised through the issue of Treasury bills in 1983 was more than double the amount raised in 1982. Treasury bill issues accounted for almost one-half of funds raised in 1983. In part this reflected an increased supply of short-term funds during the year. The chartered banks, which had purchased only $1.6 billion of Treasury bills in 1982, acquired $3.4 billion of Treasury bills in 1983. As well the government increased its reliance on one-year Treasury bills.

Table 6.6
Gross New Issues of Government of Canada Marketable Bonds: Classified by Terms to Maturity (Denominated in Canadian Dollars)

	Two years	About three years	About five years	Extendible bonds	About seven years	About 10 years	About 20 years	Total
			(millions of dollars)					
1979	—	1,025	2,200	—	—	325	5,400	8,950
1980	—	1,900	1,400	3,425	—	475	3,650	10,850
1981	—	1,025	—	4,025	—	—	1,600	6,650
1982	—	1,950	2,025	2,300	—	2,200	650	9,125
1983	950	1,000	2,200	—	750	4,950	3,150	13,000

Source: Department of Finance.

The frequency of one-year Treasury bill auctions was increased from monthly to bi-monthly intervals. The ratio of Treasury bills to total outstanding securities increased to 29.1 per cent at the end of 1983 from 24.0 per cent at the end of 1982.

Outstanding marketable bonds rose $7.4 billion in 1983 compared to $4.9 billion in 1982. Including amounts issued to roll over maturing bonds, a total of $13.0 billion of marketable bonds were sold in 15 separate issues during the year. While no extendible bonds were issued during 1983, the government continued its endeavours to develop new maturity areas of the primary bond market. The 10-year primary market yielded almost $5.0 billion during 1983. As well, several issues contained bonds with approximately seven years to maturity. In total, $750 million was raised from this area of the market.

In another development, the government instituted a series of quarterly auctions of two-year marketable bonds (Table 6.6). These securities cover a term to maturity of the primary market that is longer than one-year Treasury bills and yet shorter than three-year marketable bonds, which previously had been about the shortest maturity of marketable bonds issued by the government. Furthermore, the use of an auction technique to sell marketable bonds was new to Canada, although it has been used successfully for several years in the United States. In total, $950 million was raised through auctions of two-year marketable bonds during 1983. Finally, with the less volatile interest rate environment it was once again possible to draw funds from the long-term area of the primary market, and about $3.2 billion of long-term marketable bonds were issued in 1983.

In the fall of 1983, the CSB campaign produced gross sales of $11.6 billion, marginally higher than the $11.2 billion in 1982. After allowances for redemptions of past series, net purchases during the campaign period amounted to $8.8 billion compared to $9.6 billion in 1982. The terms of the 1983 series of CSBs offered a rate of 9.25 per cent for the first year and a minimum of 7.0 per cent in each of the remaining six years.

Table 6.7

Non-Bank General Public Holdings of Government of Canada Direct and Guaranteed Securities (Denominated in Canadian Dollars)

	Treasury bills		Marketable bonds		Canada Savings Bonds		Total
	Billions of dollars	Per cent of total	Billions of dollars	Per cent of total	Billions of dollars	Per cent of total	Billions of dollars
1975	—	—	5.7	26.4	15.8	73.6	21.5
1976	1.4	5.8	6.2	25.6	16.6	68.6	24.2
1977	2.7	9.2	8.3	28.3	18.3	62.5	29.3
1978	3.8	10.7	11.6	32.5	20.2	56.8	35.6
1979	4.0	9.9	18.1	44.1	18.9	46.0	41.0
1980	7.6	15.1	25.0	49.8	17.5	35.1	50.2
1981	6.8	11.1	29.0	47.2	25.6	41.7	61.4
1982	12.4	15.8	32.2	41.1	33.7	43.0	78.3
1983	22.3	22.6	36.7	37.2	39.7	40.2	98.7

Source: Bank of Canada, Review, monthly.

The non-bank general public's holdings of Government of Canada debt increased by $20.4 billion to $98.7 billion at the end of 1983 (Table 6.7). About half of this increase comprised net purchases of Treasury bills and, consequently, 22.6 per cent of the general public's holdings of Canadian dollar debt was in the form of Treasury bills at the end of 1983 compared to 15.8 per cent at the end of 1982. The general public also acquired $4.5 billion and $6.0 billion, respectively, of marketable bonds and CSBs during the year. General public holdings of domestic marketable debt increased to $59 billion, or 62.6 per cent of total outstanding domestic marketable debt at the end of 1983 compared to 61 per cent at the end of 1982.

The government undertook one foreign currency loan in 1983 in order to partially replace the foreign exchange reserves used to redeem three maturing foreign issues. The maturing issues included a U.S. $250 million loan which matured on April 1, a Deutschemark 300 million loan which matured on May 20 and a U.S. $400 million loan which matured on October 15. In October the government borrowed U.S. $500 million in the Eurodollar market. The bonds carried a 10 7/8-per-cent annual coupon and were sold at par. The bonds mature on October 27, 1988.

The reference tables provide details of new issues and retirements of domestic Government of Canada marketable debt and changes in marketable securities and CSBs outstanding.

Provincial and Local Governments

With the start of the economic recovery, coupled with discretionary tax increases and restraint measures, the fiscal situation of the provincial-local government sector (including hospitals) showed an improvement in 1983. Preliminary estimates of provincial-local sector budgetary positions for 1983 (Table 6.8) indicate that revenues rose 10.6 per cent, expenditures were up 9.6 per cent, and the consolidated sector deficit fell to $1.5 billion compared to $2.2 billion in 1982.

The increase in total revenues in 1983 was fairly evenly matched between federal cash transfers and own-source revenues. Federal cash transfers to provinces rose by 10.1 per cent (Table 6.9), reflecting the continuing effects of the recession

Table 6.8

Provincial-Local Government (Including Hospitals) Revenue, Expenditure and Net Position[1] **(National Accounts Basis)**

	Revenue			Expenditure			Surplus or deficit (–)	
	Millions of dollars	Percentage change	Percentage of GNP	Millions of dollars	Percentage change	Percentage of GNP	Millions of dollars	Percentage of GNP
1975	37,426	14.7	22.6	39,673	21.3	24.0	–2,247	–1.4
1976	43,423	16.0	22.6	45,437	14.5	23.7	–2,014	–1.0
1977	51,103	17.7	24.3	51,043	12.3	24.3	60	0.0
1978	57,743	13.0	24.9	56,860	11.4	24.5	883	0.4
1979	65,020	12.6	24.6	63,212	11.2	23.9	1,808	0.7
1980	73,032	12.3	24.6	73,459	16.2	24.8	–427	–0.1
1981	83,338	14.1	24.6	83,449	13.6	24.6	–111	–0.0
1982	92,040	10.4	25.8	94,250	12.9	26.4	–2,210	–0.6
1983	101,785	10.6	26.2	103,297	9.6	26.6	–1,512	–0.4

[1] There is a likelihood that future revisions by Statistics Canada may raise provincial-local wage and other expenditures to a greater degree than revenues and hence revise the sector's budgetary positions towards greater deficit.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

Table 6.9

Provincial-Local Government (Including Hospitals) Revenue (National Accounts Basis)

	1982		1983	
	Millions of dollars	Percentage change	Millions of dollars	Percentage change
Own-source revenue(1)				
Direct taxes – persons(1)	21,269	10.7	23,055	8.4
Direct taxes – corporations(1)	2,287	–34.8	3,211	40.4
Indirect taxes				
Retail sales taxes	7,787	11.7	8,947	14.9
Property taxes	11,652	12.0	12,890	10.6
Other(2)	11,748	15.3	12,561	6.9
Total indirect taxes	31,187	13.2	34,398	10.3
Investment income				
Royalties	6,191	11.6	6,452	4.2
Interest income	7,403	16.0	8,172	10.4
Total investment income	13,594	14.0	14,624	7.6
Other own-source revenue(3)	7,929	12.7	9,127	15.1
Total own-source revenue	76,266	10.1	84,415	10.7
Federal cash transfers	15,774	12.0	17,370	10.1
Total revenue	92,040	10.4	101,785	10.6

(1) Includes revenue from the federal personal and corporate income tax point transfers to provinces.

(2) Consists of fuel, tobacco, liquor, commercial motor vehicle licences and miscellaneous indirect taxes.

(3) Consists of transfers from persons and capital consumption allowances.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

on outlays under the Canada Assistance Plan and the impact of the historical upward revisions to GNP on the Established Program Financing (EPF) escalator. Transition payments under equalization and transfers to provinces of a share of the oil export charge declined in 1983. Own-source revenues increased by 10.7 per cent in 1983. Above-average growth occurred in direct taxes on corporations, retail sales taxes, tobacco taxes, commercial motor vehicle licences, and other transfers from persons. Below-average growth took place in direct taxes on persons, royalties income, taxes on property, fuel, liquor and miscellaneous indirect taxes. A number of provincial taxes were raised in 1983. Principal increases were for retail sales taxes, tobacco taxes, personal income taxes and health insurance premiums.

Table 6.10

Provincial-Local Government (Including Hospitals) Expenditure (National Accounts Basis)

	1982		1983	
	Millions of dollars	Percentage change	Millions of dollars	Percentage change
Final demand expenditure				
Current goods and services				
Wages and salaries	42,995	14.2	46,114	7.3
Other[1]	15,315	8.9	17,385	13.5
Total	58,310	12.7	63,499	8.9
Gross capital formation	9,280	11.0	9,482	2.2
Total	67,590	12.5	72,981	8.0
Transfers to persons	15,041	12.8	16,871	12.2
Subsidies	2,155	6.8	2,244	4.1
Capital assistance	412	50.9	880	113.6
Interest on the public debt	9,052	17.0	10,321	14.0
Total expenditure	94,250	12.9	103,297	9.6

[1] Other goods and services include medicare, capital consumption allowances and other non-wage current goods and services.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

The growth in personal income taxes reflected personal income growth, the capping of indexation of personal income tax rates and exemptions, and discretionary increases in New Brunswick and Ontario. The strong growth in 1983 in direct taxes on corporations was largely a reflection of the strong growth in corporate profits. Ontario raised its general corporation tax rate and its rate on income from manufacturing and processing operations, mining, logging, farming and fishing, while Manitoba increased its corporate income tax rate on large corporations.

Among the key components of indirect taxes, retail sales tax growth stemmed from the upturn in the consumption of goods and from increases in retail sales tax rates in New Brunswick, Manitoba, and British Columbia. There were increases in tobacco taxes in all provinces except Newfoundland, Nova Scotia and Quebec, and increases in alcohol taxes in all provinces except Prince Edward Island, Nova Scotia, Ontario and British Columbia. Increases in fuel taxes by Newfoundland, New Brunswick, Manitoba and Saskatchewan were offset by the reduction of Quebec's *ad valorem* fuel tax from 40 to 30 per cent as announced in its November 1983 supplementary budget. Above-average growth in other transfers from persons reflected higher health insurance premiums in Ontario and Alberta.

Provincial-local investment income grew by 7.6 per cent in 1983, resulting from a 10.4-percent increase in interest receipts and a 4.2-percent increase in natural resource royalties. The increase in interest income was accounted for by an increase in the stock of financial assets and their relatively high average effective interest rate. The growth in royalties came from an increase of 20.7 per cent in the average Canadian wellhead price of oil and an increase of 3.7 per cent in oil production. Despite falling world oil prices, Canadian prices increased as a scheduled increase in the price of old oil took place on

Table 6.11

Provincial-Local Government (Including Hospitals) and Crown Enterprise Borrowing Requirements and Financing[1] (Financial Flow Accounts Basis)

	1982	January - September 1982	1983
		(millions of dollars)	
Requirements			
Direct government			
Budgetary surplus or deficit (–)	–2,210	–524	–906
Net new claims on associates	–2,231	–1,932	–1,177
Increases in cash and deposits (–)	271	–1,378	–1,117
Other net new financial assets[2]	–6,802	–4,594	–2,820
Discrepancy	–3,073	–1,032	–2,269
Total government	–14,045	–9,460	–8,289
Crown enterprises			
Unremitted profits and provision for depreciation	2,409	1,795	2,172
Capital formation	–10,942	–8,047	–8,778
Surplus or deficit (–)	–8,533	–6,252	–6,606
Net new claims on associates	–131	–60	71
Increases in cash and deposits (–)	–666	–996	166
Other net new financial assets[2]	–3,162	–1,925	–1,537
Discrepancy	2,632	1,816	2,399
Total Crown enterprises	–9,860	–7,417	–5,507
Total requirements	–23,905	–16,877	–13,796
Net new borrowing			
Bank and other short-term	2,385	422	–91
Net new claims to associates	3,225	2,787	1,898
Other (excluding bonds)	1,757	2,050	2,821
Bonds, by holder – total	16,538	11,618	9,168
Non-market	8,136	6,267	4,068
CPP	2,704	2,228	1,876
Other non-market[3]	5,432	4,039	2,192
Market	8,402	5,351	5,100
Domestic[4]	2,327	412	2,115
Rest of world	6,075	4,939	2,985
Total borrowing	23,905	16,877	13,796

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[1] Since complete data for 1983 were not available at the time of writing, this table provides information for 1982 and, for comparison purposes, for the first nine months of 1982 and 1983.

[2] Consists of net new acquisitions of second-hand "non-financial" assets, trade receivables, other loans, Treasury bills, finance and other short-term paper, mortgages, federal direct and Crown enterprise bonds, provincial and local government direct and Crown enterprise bonds, corporate and other bonds, stocks, and other financial assets.

[3] Includes Caisse de dépôt et placement du Québec and other provincial government financial institutions.

[4] Consists of holdings by persons, unincorporated businesses, insurance companies, pension funds and other Canadian holders.

Source: Statistics Canada, *Financial Flow Accounts*, quarterly, cat. 13-002.

January 1, 1983, and the amending agreement on oil and gas pricing of June 30, 1983 permitted special old oil and infill oil to receive the higher new oil reference price.

Provincial-local government expenditure growth slowed from 12.9 per cent in 1982 to 9.6 per cent in 1983 (Table 6.10). Slowing in the growth of wages and capital formation more than offset categories with above-average growth rates including transfers to persons, debt charges and non-wage current goods and services. Capital assistance payments were up, reflecting a sharp increase under the petroleum incentive program.

A major factor behind the slower growth in total expenditures was the reduction in the growth of provincial-local wage bills from 14.2 per cent in 1982 to 7.3 per cent in 1983. Employment in provincial-local public administration, education and health services appears to have increased about 2 per cent in 1983. Both restraint on wage rate growth and employment freezes or curtailments that occurred in various jurisdictions contributed to this substantial slowing in wage expenditures.

The 14.0-per-cent increase in provincial-local public debt charges in 1983 reflected an increase in the stock of debt and an increase in the average effective rate of interest on it. While this sector benefited from the decline in long-term interest rates that began in the second half of 1982, average effective interest rates on provincial-local debt continued to rise, as maturing bonds bearing lower interest rates were refinanced at prevailing interest rates. About 60 per cent of an estimated total borrowing of $20 billion in 1983 was for provincial and local governments with the remaining 40 per cent for Crown enterprises. In the first three quarters of 1983, direct and guaranteed borrowing requirements decreased by $3.1 billion compared to the same period in 1982 (Table 6.11). Of the decline in direct and guaranteed borrowing in 1983, more than one-third reflected the improvement in the budgetary deficits and the remainder reflected lower non-budgetary requirements of Crown enterprises.

In conjunction with lower borrowing requirements in 1983, there was less reliance on foreign bond markets than in 1981 and 1982, a period characterized by very large increases in bond holdings by non-residents. An increase in provincial and local government bond holdings by residents offset much of the decline in holdings by non-residents.

Four provinces had their bond ratings downgraded in 1983. This rating experience has encouraged provincial governments to reduce their borrowing requirements by increasing taxes and restraining wage rate increases and capital investment.

Canada and Quebec Pension Plans

The surpluses of the Canada and Quebec Pension Plans (C/QPP) totalled $3.2 billion in 1983 compared with $3.8 billion in 1982 (Table 6.12). Total expenditures increased 20.9 per cent and revenues were up 3.5 per cent in 1983. Most of the surplus funds of the CPP are borrowed by the provincial governments. In the first nine months of 1983 these borrowings amounted to $1.9 billion.

The national accounts data indicate that CPP contributions decreased 5.2 per cent in 1983. However, part of the recorded decrease in CPP contributions in 1983 reflects a technical adjustment by Statistics Canada for previous years' allocations of personal direct tax revenues between income taxes and contributions to the CPP. The trend in the growth of the contributions depends primarily on the growth in the average level of earnings from employment and the yearly maximum contributory earnings, and the latter increased 10.8 per cent to $18,500 in 1983. A second source of revenue for the C/QPP is investment income, which increased 14.0 per cent in 1983, reflecting increased balances in the accounts.

Although the total number of CPP beneficiaries increased only 5.9 per cent in 1983, total CPP benefit payments increased 21.3 per cent. In part, this reflects the 11.2-per-cent indexation factor applicable to CPP benefits in 1983. As the pension plans mature, more of the growth in C/QPP expenditures will be accounted for by underlying demographic changes. Also, as the plans mature, an increasing fraction of beneficiaries will have contributed to the plan for at least 10 years and therefore will be eligible for maximum benefits.

Table 6.12
Canada and Quebec Pension Plans
Revenue, Expenditure and Net Position
(National Accounts Basis)

	1982		1983	
	Millions of dollars	Percentage change	Millions of dollars	Percentage change
Revenue				
Contributions				
CPP	3,665	21.8	3,474	−5.2
QPP	1,078	11.9	1,112	3.2
Investment				
CPP	2,176	21.1	2,498	14.8
QPP	889	15.9	997	12.1
Total revenue	7,808	19.5	8,081	3.5
Expenditure				
Goods and Services				
CPP	76	−14.6	85	11.8
QPP	47	51.6	45	−4.3
Benefits to residents				
CPP	2,873	23.8	3,485	21.3
QPP	1,006	21.5	1,222	21.5
Benefits to non-residents	20	25.0	24	20.0
Total expenditure	4,022	22.4	4,861	20.9
Surplus				
CPP	2,872	n.a.	2,378	n.a.
QPP	914	n.a.	842	n.a.
Total surplus	3,786	n.a.	3,220	n.a.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

Total Government Sector

Tables 6.13 to 6.15 provide data on the budget balance position, revenues and expenditures for the consolidated government sector. Despite the recovery-induced increase in revenues and a substantial decline in the growth of expenditures, the deficit rose as expenditures grew faster than revenues. The deficit for the total government sector increased $3.8 billion in 1983 compared to an increase of approximately $15 billion in 1982. The deficit rose to 5.9 per cent of GNP in 1983 from 5.3 per cent in 1982.

Revenues rose 8.7 per cent in 1983 compared to 6.2 per cent in 1982. Direct taxes on persons rose 8.5 per cent. The largest increase occurred in corporate taxes which rose 29.5 per cent in 1983 compared to a 25-per-cent decline in 1982. These increases were offset to some extent by declines in the growth of indirect taxes and investment income. The slower growth of indirect taxes was due to absolute declines in federal revenues from indirect taxes on energy. Slower growth of investment income reflected lower average rates of interest in 1983 relative to 1982 and a smaller increase in provincial royalties.

Table 6.13

Total Government Revenue, Expenditure and Net Position (National Accounts Basis)

	Revenue			Expenditure			Surplus or deficit (–)	
	Millions of dollars	Percentage change	Percentage of GNP	Millions of dollars	Percentage change	Percentage of GNP	Millions of dollars	Percentage of GNP
1975..........	64,239	9.3	38.9	68,288	22.0	41.3	–4,049	–2.4
1976..........	73,496	14.4	38.3	76,718	12.3	40.0	–3,222	–1.7
1977..........	81,310	10.6	38.7	86,315	12.5	41.1	–5,005	–2.4
1978..........	89,489	10.1	38.5	96,783	12.1	41.7	–7,294	–3.1
1979..........	101,719	13.7	38.5	106,349	9.9	40.2	–4,630	–1.8
1980..........	117,036	15.1	39.5	124,340	16.9	41.9	–7,304	–2.5
1981..........	140,984	20.5	41.6	144,829	16.5	42.7	–3,845	–1.1
1982..........	149,657	6.2	42.0	168,583	16.4	47.3	–18,926	–5.3
1983..........	162,734	8.7	41.9	185,483	10.0	47.7	–22,749	–5.9

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

Growth in expenditures declined from 16.4 per cent in 1982 to 10.0 per cent in 1983. Virtually all expenditure components experienced slower rates of growth in 1983. The increase in capital assistance remained high, however, reflecting federal and provincial assistance under the petroleum incentive program. The decline in the growth of current wage and non-wage expenditures and gross capital formation resulted in a 7.7-per-cent increase in total final demand expenditures in 1983 compared to 13 per cent in 1982. Growth in interest on the public debt and

Table 6.14

Total Government Revenue (National Accounts Basis)

	1982		1983	
	Millions of dollars	Percentage change	Millions of dollars	Percentage change
Direct taxes - persons..........................	58,137	10.9	63,075	8.5
Direct taxes - corporations..................	9,825	–25.0	12,722	29.5
Indirect taxes..	48,573	4.7	50,370	3.7
Investment income................................	22,947	14.7	25,187	9.8
Other revenue..	10,175	12.1	11,380	11.8
Total revenue..	149,657	6.2	162,734	8.7

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

Table 6.15
Total Government Expenditure
(National Accounts Basis)

	1982		1983	
	Millions of dollars	Percentage change	Millions of dollars	Percentage change
Final demand expenditure				
Current goods and services				
Wages and salaries	54,535	14.2	58,795	7.8
Non-wage goods and services	22,658	9.8	24,595	8.5
Total	77,193	12.8	83,390	8.0
Gross capital formation	10,704	14.4	11,238	5.0
Total	87,897	13.0	94,628	7.7
Transfers to persons	43,403	23.4	49,742	14.6
Subsidies	7,793	−8.3	7,948	2.0
Capital assistance	2,703	160.7	4,238	56.8
Transfers to non-residents	1,060	21.1	1,186	11.9
Interest on public debt	25,727	19.8	27,741	7.8
Total expenditure	168,583	16.4	185,483	10.0

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

transfers to persons showed the most significant slowing. Debt charges rose 7.8 per cent in 1983, 12 percentage points less than in 1982, while transfers to persons increased 14.6 per cent in 1983, almost 9 percentage points less than the 1982 increase.

Budget Balances

Cyclically-adjusted and inflation-adjusted budget balances provide quantitative estimates of the importance of cyclical and inflationary factors in the interpretation of deficits as conventionally measured. Cyclically-adjusted budget balances are discussed first, followed by a discussion of inflation-adjusted budget balances.(2)

Cyclically-adjusted budget balances are estimates of the budget balances that would have prevailed, under existing tax and expenditure structures, had the economy been operating at an average or normal level of activity. The difference between the actual budget balance and the cyclically-adjusted balance provides an estimate of the portion of the balance that is due to the automatic response of revenues and expendi-

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(2) For further details concerning the methodologies used for cyclical and inflation adjustment, see *The Federal Deficit in Perspective*, Department of Finance, April 1983 and *The Fiscal Plan*, Annex B, Department of Finance, February 1984. The estimates in this *Review* differ slightly from those in the latter publication due to historical revisions by Statistics Canada to labour force employment, which affected estimates of cyclically-adjusted budget balances from 1975 to 1983, and the release of national accounts data for 1983 which affected estimates of both cyclically-adjusted and inflation-adjusted budget balances for that year.

Table 6.16

Actual and Cyclically-Adjusted Budget Balances
Federal and Consolidated Government Sectors
(National Accounts Basis)

	Actual balances (surplus or deficit(–))		Cyclically-adjusted balances (surplus or deficit(–))	
	Federal government	All governments	Federal government	All governments
	(millions of dollars)			
1975	–3,805	–4,049	–3,827	–4,009
1976	–3,391	–3,222	–4,151	–4,277
1977	–7,303	–5,005	–6,836	–4,432
1978	–10,626	–7,294	–9,772	–6,233
1979	–9,131	–4,630	–8,773	–4,062
1980	–9,880	–7,304	–8,074	–4,538
1981	–6,984	–3,845	–5,423	–1,532
1982	–20,502	–18,926	–11,462	–6,257
1983	–24,457	–22,749	–13,433	–7,486
	(as a percentage of GNP)(1)			
1975	–2.3	–2.4	–2.3	–2.4
1976	–1.8	–1.7	–2.2	–2.3
1977	–3.5	–2.4	–3.2	–2.1
1978	–4.6	–3.1	–4.2	–2.7
1979	–3.5	–1.8	–3.3	–1.5
1980	–3.3	–2.5	–2.7	–1.5
1981	–2.1	–1.1	–1.6	–0.4
1982	–5.7	–5.3	–2.9	–1.6
1983	–6.3	–5.9	–3.2	–1.8

(1) Actual balances are taken as a percentage of actual GNP, while cyclically-adjusted balances are taken as a percentage of cyclically-adjusted GNP.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; and Department of Finance.

tures to cyclical variations in economic activity. However, it is important to recognize that important non-cyclical yet non-discretionary factors, such as changes in interest rates and energy prices, can significantly affect estimates of the non-cyclical component of budget balances without necessarily indicating a discretionary change in fiscal policy.

Based on an estimated 2.3-per-cent rate of growth for cyclically-adjusted real GNP and a cyclically-adjusted unemployment rate of 7 per cent, the cyclically-adjusted federal deficit increased to 3.2 per cent of GNP in 1983 from 2.9 per cent in 1982 (Table 6.16). By comparison, the actual deficit rose to 6.3 per cent from 5.7 per cent of GNP over these two years. These estimates indicate that approximately half of the deficit is accounted for by cyclical factors. On a cyclically-adjusted basis, the deficit for the total government sector rose to 1.8 per cent of GNP in 1983 compared to 1.6 per cent in 1982. In com-

Table 6.17

Government Budget Balances: Actual and Inflation-Adjusted[1] (National Income and Expenditure Accounts Basis)

	Actual balance (surplus or deficit)(–)		Inflation-adjusted balance (surplus or deficit)(–)	
	Federal government	All governments[2]	Federal government	All governments[2]
		(millions of dollars)		
1975	–3,805	–4,049	–2,995	–2,587
1976	–3,391	–3,222	–2,352	–1,453
1977	–7,303	–5,005	–6,222	–3,308
1978	–10,626	–7,294	–9,074	–5,127
1979	–9,131	–4,630	–4,938	344
1980	–9,880	–7,304	–5,221	–2,581
1981	–6,984	–3,845	–848	2,063
1982	–20,502	–18,926	–14,887	–13,353
1983	–24,457	–22,749	–21,156	–19,416
		(as a percentage of GNP)		
1975	–2.3	–2.4	–1.8	–1.6
1976	–1.8	–1.7	–1.2	–0.8
1977	–3.5	–2.4	–3.0	–1.6
1978	–4.6	–3.1	–3.9	–2.2
1979	–3.5	–1.8	–1.9	0.1
1980	–3.3	–2.5	–1.8	–0.9
1981	–2.1	–1.1	–0.3	0.6
1982	–5.7	–5.3	–4.2	–3.7
1983	–6.3	–5.9	–5.4	–5.0

[1] Net fixed price assets and liabilities at the end of each year for the two levels of government are obtained from the *Financial Flow Accounts*. Assets and liabilities in the form of equities and claims on associated enterprises are excluded as they are assumed to represent claims on real resources and hence are unaffected by inflation.

[2] Including Canada and Quebec Pension Plans.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; *Financial Flow Accounts*, quarterly, cat. 13-002; and the Department of Finance.

parison, the actual deficit increased to 5.9 per cent from 5.3 per cent of GNP.

A significant factor affecting government sector balances in recent years has been the rapid growth in interest payments on the public debt. Under conventional public sector accounting methods, as in private sector accounting methods, however, government indebtedness is measured on an historical value basis. No explicit recognition is given to the fact that, for a debtor, the real value of net indebtedness is reduced in an inflationary environment. An alternative measure of governments' budget balances – inflation-adjusted budget balances – focuses on changes in governments' real indebtedness. Government

Table 6.18

Historical Cyclical Behaviour of Federal and Consolidated Government Sectors Revenues, Expenditures and Balances: Actual and Cyclically-Adjusted (National Accounts Basis)

	1983 Recovery	1981-1982 Recession	Average postwar recovery excluding 1983	Average postwar recession excluding 1981-1982
	(cumulative change as a percentage of GNP)[1]			
Actual				
Federal government				
Revenue	–0.3	–0.9	0.0	–0.4
Expenditure	–0.7	3.7	0.0	1.3
Balance	0.4	–4.7	0.0	–1.7
All governments				
Revenue	–0.6	0.8	0.3	0.4
Expenditure	–1.9	7.2	0.2	2.5
Balance	1.3	–6.4	0.1	–2.2
Cyclically-adjusted				
Federal government				
Revenue	–0.1	–1.0	0.2	–0.4
Expenditure	0.7	0.1	0.6	0.2
Balance	–0.9	–1.1	–0.4	–0.6
All governments				
Revenue	0.1	–0.4	0.7	0.1
Expenditure	0.5	1.3	1.2	0.8
Balance	–0.5	–1.6	–0.5	–0.8

Note: Figures may not add due to rounding. For dating of business cycles, see Table 1.2.

[1] Actual values are taken as a percentage of actual GNP, while cyclically-adjusted values are taken as a percentage of cyclically-adjusted GNP.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; and Department of Finance.

indebtedness can be defined in a number of ways. The definition used here is a modified version of the financial flow accounts measure of net liabilities. The year-to-year decline in these liabilities caused by inflation, which is an approximation of the inflation premiums in net interest payments, is subtracted from actual budget balances to obtain estimates of inflation-adjusted budget balances.

Table 6.17 illustrates the impact on the federal and consolidated government budget balances of an adjustment based on this approach, with inflation measured by the rate of change (fourth-quarter-over-fourth-quarter) of the GNE implicit price index. For both the federal and consolidated government sectors, the inflation-adjusted deficit is about $3.3 billion lower than the measured deficits. Inflation adjustment reduces the federal deficit in 1983 from 6.3 per cent to 5.4 per cent of GNP. For the consolidated total government sector, inflation adjustment also reduces the observed deficit by 0.9 percentage point of GNP. It should be noted that the inflation adjustment for both federal and total government sectors was smaller in 1983 than in 1982, reflecting the substantial decline in the rate of inflation in 1983.

In Table 6.18, actual and cyclically-adjusted federal and total government revenues, expenditures and balances during the 1983 recovery and the 1981-1982 recession are compared to their average postwar cyclical behaviour. During the first four quarters of the 1983 recovery, i.e., from the fourth quarter of 1982 to the fourth quarter of 1983, the actual federal balance as a percentage of GNP improved by 0.4 percentage point. This improvement was due to a reduction in federal expenditures as a percentage of GNP which more than offset the decline in federal revenues as a percentage of GNP. This improvement exceeded the historical average for previous recoveries. On the other hand, on a cyclically-adjusted basis, the federal balance fell 0.9 percentage point of GNP. This compares to an average decline of 0.4 percentage point in previous recoveries. In large measure this reflects the discretionary policy measures introduced in the April 1983 budget in response to the steep slide of economic activity in 1982.

The improvement in the total government balance as a percentage of GNP was 1.3 percentage points during the 1983 recovery; this compares to an average improvement of 0.1 percentage point in previous recoveries. On a cyclically-adjusted basis, it is estimated that the total government sector balance fell 0.5 percentage point in the 1983 recovery, equivalent to the average decline during the first four quarters in previous recoveries.

7. Financial Developments

Financial market developments during 1983 were in sharp contrast to those during the past two economic recoveries. Whereas recent recoveries had been characterized by increases in nominal interest rates and strong growth in private sector credit demand, the first four quarters of the present recovery witnessed small declines in interest rates and unusually weak private sector borrowing activity (Table 7.1). The steady decline in inflation rates over the course of 1983, coupled with the relative stability in nominal interest rates, resulted in steep increases in real interest rates. Real interest rates have tended to rise in recent recoveries but more from increases in nominal interest rates than from declines in inflation. Throughout 1983, long-term interest rates remained high and yield curves remained steeply sloped. By contrast, although long-term interest rates increased in the past two recoveries, short-term interest rates rose more strongly. This had the effect of flattening yield curves in the 1975-1976 recovery and of inverting them in the 1980-1981 recovery.

A number of factors help explain the distinctive behaviour of financial markets during 1983. After experiencing a decade of persistently high inflation rates, financial markets reacted cautiously to the declines in inflation during 1983. This helped prevent interest rates from falling in line with inflation and kept yield curves steeply sloped throughout the year, particularly in the U.S. where large federal budget deficits heightened concerns over the possibility of higher interest rates. High U.S. interest rates in turn played a role in preventing a more rapid decline in Canadian interest rates.

The length and depth of the 1981-1982 recession also influenced the behaviour of financial markets during 1983. The corporate sector entered the recession highly levered and relying to an unusual extent on short-term, floating-rate financing. It was, therefore, particularly exposed to the high levels of interest rates experienced during the recession, especially as these occurred in conjunction with very steep declines in profits and cash flow. The severity of the recession's impact on the corporate sector in turn helps explain the importance placed in 1983 on restructuring balance sheets and reducing short-term indebtedness. The personal sector, meanwhile, had experienced cash flow problems as well as a substantial decline in confidence during the recession, and entered the recovery period unwilling to take on new debt. The public sector, on the other hand, entered 1983 with large recession-induced deficits to finance and tapped financial markets for record amounts of new debt.

Monetary Policy

In 1983, for the first time since 1975, growth targets for the money supply did not represent an important focal point for Canadian monetary policy. The practice of monetary targeting was suspended by the Bank of Canada in November 1982 and during the past year the Bank focused on a wide range of indicators in determining the day-to-day conduct of monetary policy, including nominal interest rates, the Canada-U.S. exchange rate and trends in economic growth.

During 1983, the Bank of Canada sought to facilitate the reduction of nominal interest rates to levels that would support the recovery and yet would remain consistent with long-run, anti-inflationary policy goals. In particular, the Bank sought to avoid the direct inflationary effects of rapid downward movements in exchange rates.

During the first half of 1983, the continued strong trade performance and the narrowing of the gap between Canadian and U.S. inflation rates made possible some narrowing of Canada-U.S. interest rate differentials. Indeed, short-term nominal interest rate differentials, which had been in the area of 150 basis points at the start of 1983, were eliminated by mid-year (Chart 7.1). The latitude for further downward movement in Canadian interest rates during the second half of 1983 was, however, limited. A weakening of the trade balance, large outflows related to dividend and interest payments and, most importantly, the upward drift of U.S. interest rates all combined to put downward pressure on the Canadian dollar. As a result the Bank Rate, which had declined 88 basis points in the first five months of the

Table 7.1

Historical Cyclical Behaviour of Selected Financial Indicators(1)(2)

	1983 Recovery	1981-1982 Recession	Average of recent recoveries excluding 1983	Average of recent recessions excluding 1981-1982
	(change in basis points)			
Interest rates				
Nominal				
Short-term(3)	−133	−768	381	−448
Long-term(4)	−32	−285	196	−106
Real				
Short-term(5)	378	−472	324	−380
Long-term(6)	480	11	138	−37
	(percentage change in stock outstanding)			
Private sector credit expansion				
Non-financial business	−0.3	25.9	15.5	15.1
Short-term(7)	−7.0	35.9	23.0	23.3
Long-term(8)	9.0	14.1	8.9	7.6
Consumer credit	4.6	−0.9	15.4	4.8
Mortgage credit	8.4	3.7	14.1	13.9
	(change in stock outstanding)(9)			
Public sector credit expansion				
Federal(10)	12.3	24.3	5.2	10.5
Provincial-local-hospitals(11)	10.0	20.1	7.4	9.2
	(percentage change)			
Money supply(12)				
M1A	16.8	9.2	8.9	6.6
M2	4.4	13.5	14.2	11.1

(1) Cyclical reference dates are drawn from P. Cross, "The Business Cycle in Canada 1950-1981", Department of Finance, 1982. For the purposes of this table, only recessions and expansions in the 1970s and 1980s are considered. Recovery periods are uniformly four quarters in duration while recession periods vary in term.

(2) Changes are based on quarterly averages.

(3) 90-day commercial paper rate.

(4) Government of Canada bonds with maturities of 10 years and over.

(5) 90-day commercial paper rate less the concurrent year-over-year percentage change in the CPI.

(6) Government of Canada long-term bond rate less the concurrent year-over-year percentage change in the CPI.

(7) Includes bank loans, non-financial corporate paper and bankers' acceptances.

(8) Includes bonds and equity issued by non-financial corporations.

(9) Billions of dollars.

(10) Securities and loans. Includes Crown corporations.

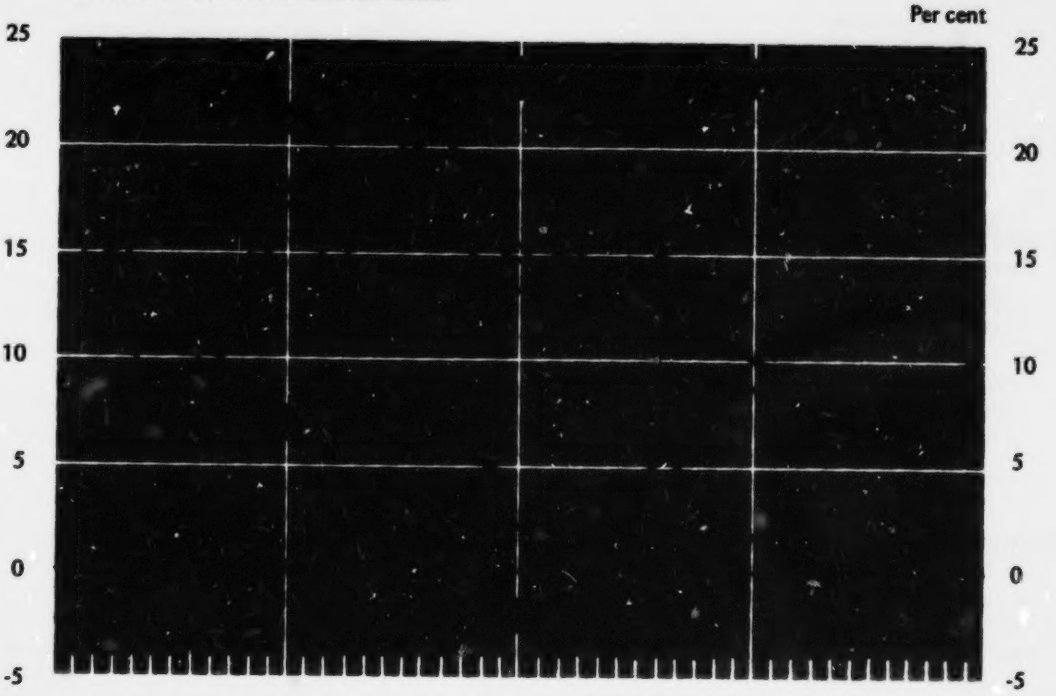
(11) Includes borrowing of Crown corporations associated with the provincial governments but excludes borrowing from the Canada Pension Plan.

(12) Calculations based on seasonally adjusted data.

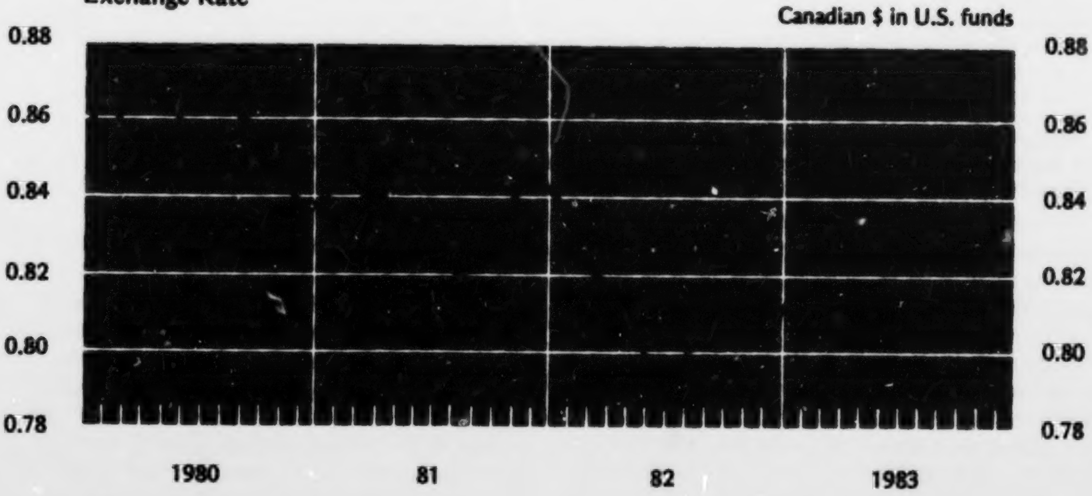
Source: Bank of Canada, *Review*.

Chart 7.1

Selected Short-Term Interest Rates



Exchange Rate



Source: Bank of Canada, *Review*, monthly.

Table 7.2
Monetary Growth and Interest Rates

	Annual average			Quarterly 1983(1)			
	1981	1982	1983	Q1	Q2	Q3	Q4
				(per cent)			
Interest rates							
Nominal							
Short-term(2)	17.7	13.6	9.3	9.3	9.2	9.3	9.5
Long-term(3)	16.3	15.9	12.7	13.0	12.3	12.9	12.8
Real							
Short-term(4)	5.9	3.3	3.6	2.0	3.4	4.0	5.0
Long-term(5)	2.8	3.4	5.9	4.3	5.5	6.7	7.3
				(percentage change)			
Money supply(6)							
M1(7)	3.8	0.7	10.3	27.8	13.5	8.3	−1.4
M1A(8)	6.2	5.5	15.6	26.8	18.7	15.1	9.1
M2(9)	15.2	9.3	5.8	11.4	2.1	5.6	−1.0
M3(10)	13.1	5.0	1.5	4.0	−6.7	−1.4	0.8

(1) Average of quarters.
(2) Three-month Treasury bills.
(3) Corporate bonds. Weighted long-term yields.
(4) 90-day commercial paper rate minus the concurrent year-over-year percentage change in the CPI.
(5) Government of Canada long-term bond yield minus the concurrent year-over-year percentage change in the CPI.
(6) Calculations based on seasonally adjusted data. Rate of change based on average level for the period over the preceding period expressed at annual rates.
(7) Currency and demand deposits less private sector float.
(8) M1 plus daily interest chequable and non-personal notice deposits.
(9) M1A plus other notice deposits and personal term deposits.
(10) M2 plus other non-personal fixed-term deposits plus foreign currency deposits of residents booked in Canada.
Source: Bank of Canada, *Review*; and Department of Finance.

year, drifted upwards over the balance of the year and in December 1983 was 22 basis points below its level of a year earlier.

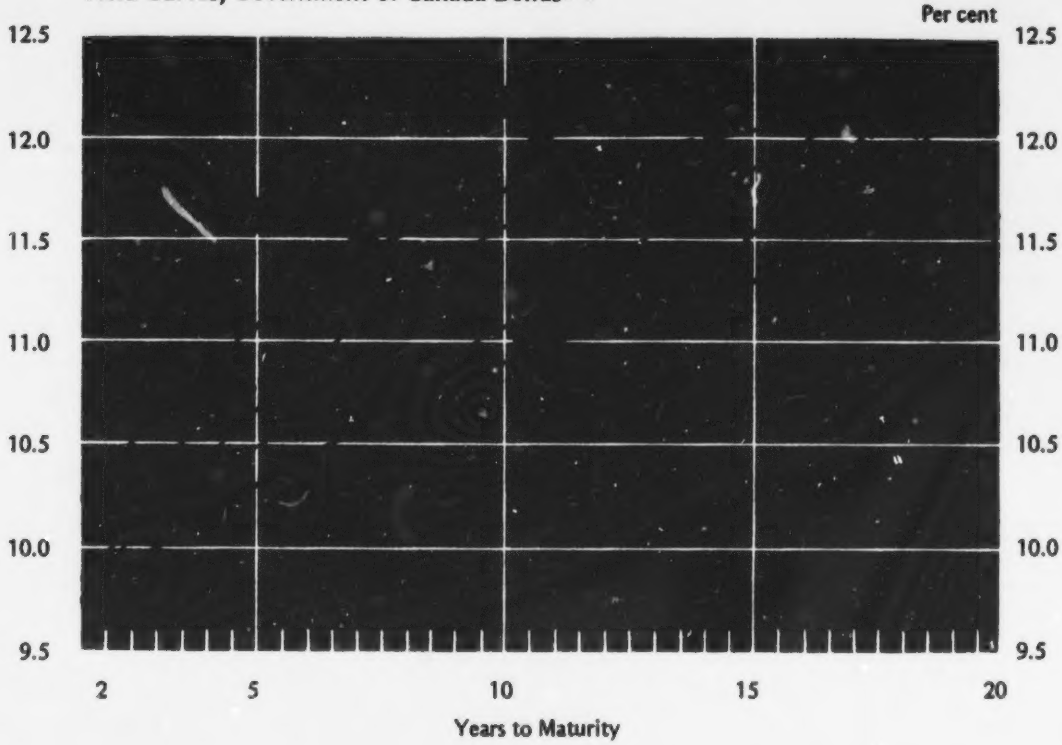
Reflecting these developments, the Canadian dollar traded in the relatively narrow range of U.S. $0.8106 to $0.8155 until the last two months of the year when it drifted downwards to finish the year at U.S. $0.8020 (Chart 7.1).

Financial Market Conditions

In contrast to the experience of the years immediately preceding 1983, financial market conditions were relatively stable last year. This stability is illustrated by the narrow range of nominal interest rate movements over the course of the year (Table 7.2). Short-term interest rates declined somewhat in the early months of 1983, but then remained largely unchanged until late in the year when they moved up slightly. Long-term interest rates followed a similar pattern, although they experienced a somewhat greater increase late in the year, and as a result yield curves retained their steep upward slopes throughout the year (Chart 7.2). While nominal interest rates were generally stable, real interest rates rose throughout the year as inflation rates declined

Chart 7.2

Yield Curves, Government of Canada Bonds(1)



(1) The yield curves were drawn using the month-end observation for various maturities of Government of Canada bonds.

Source: Department of Finance.

(Table 7.2 and Reference Table 91). By year-end, real interest rates were high by historical standards.

The level of real interest rates and the consistent steepness of yield curves in 1983 reflected the uncertainty prevailing in financial markets regarding future movements in inflation and interest rates, both in Canada and, to an even greater extent, in the U.S. Long-term interest rates in the U.S. remained high as financial markets reacted to the expectation that large federal budget deficits would continue for some time to come. Concern was expressed in some quarters that the Federal Reserve Board might be forced to adopt a more expansionary and possibly inflationary monetary policy to accommodate the U.S. Treasury's borrowing requirements. Others expressed concern that the stimulative effects of the deficits would conflict with the restrictive stance of the Federal Reserve Board. According to either view, however, nominal interest rates were expected to rise unless the deficit problem was resolved. As a consequence, the decline in inflation rates was not fully reflected in commensurate declines in nominal interest rates.

The various measures of the money supply in Canada exhibited sharply divergent growth rates in 1983. The narrowly defined monetary aggregates M1 and M1A, which are composed primarily of transactions balances, grew rapidly as depositors adjusted their holdings to reflect lower interest rate levels and growing spending activity. A broader measure of the money supply, M2, grew much more slowly and the Bank of

Table 7.3
Credit Expansion

	1979	1980	1981	1982	1983
	(net flows, billions of dollars)				
Private sector	30.8	31.7	54.5	20.4	7.3
Consumer credit(1)	4.1	4.4	3.2	– 1.1	2.2
Mortgages(2)	8.7	5.7	3.6	1.4	5.8
Non-financial business(3)	18.0	21.6	47.7	20.1	–0.8
Government sector	11.5	19.3	22.2	31.5	36.3
Government of Canada	6.3	12.1	11.5	18.3	26.3
Provinces and municipalities(4)	5.2	7.2	10.7	13.2	10.0
Total funds raised	42.5	51.0	76.7	51.9	43.6
(as a percentage of GNP)	(16.0)	(17.2)	(22.6)	(14.6)	(11.2)

(1) Excludes credit unions and caisses populaires.

(2) Includes chartered banks, trust and loan companies, sales finance companies, Quebec Savings Banks and life insurance companies. Does not include mortgage borrowing from the government sector.

(3) Excludes mortgage borrowing.

(4) Excludes borrowing from CPP.

Source: Bank of Canada, *Review*.

Canada's broadest measure, M3, showed little change at all. The broader aggregates include large amounts of savings deposits and, in the case of M3, wholesale deposits as well. Their weak performance reflects in large part the relatively unattractive interest rates offered on these deposits by the banks in 1983 and, as well, the large flow of savings into the relatively more attractive Canada Savings Bond issue.

Credit Flows

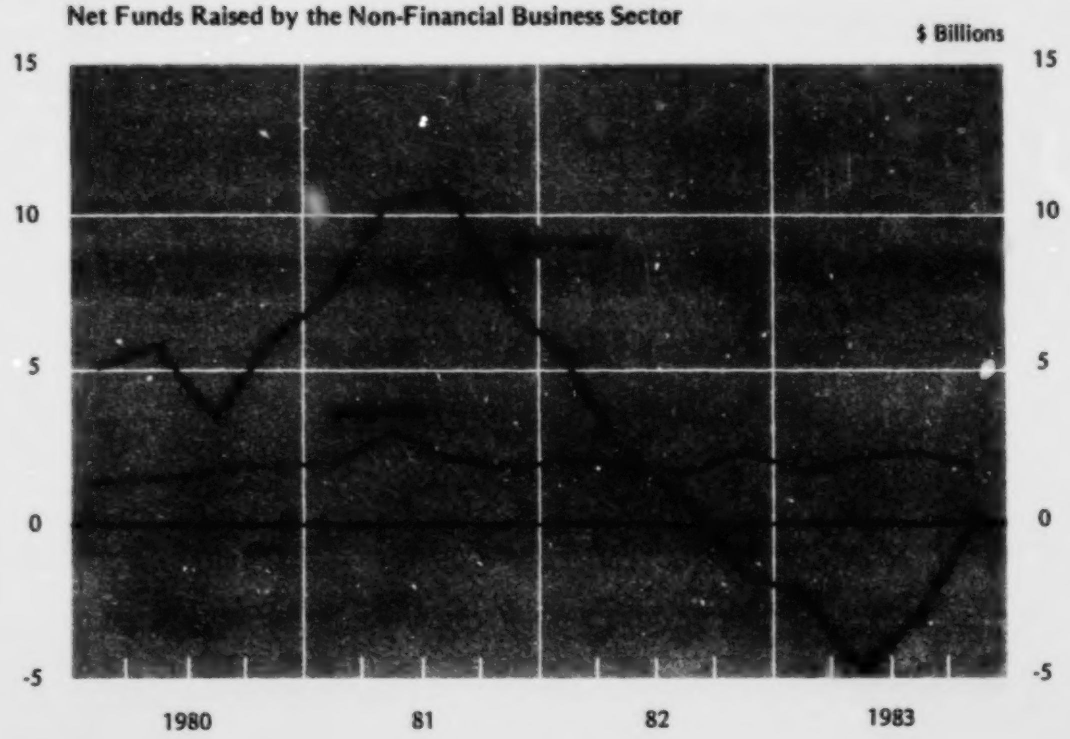
Private sector borrowing activity was particularly weak in 1983, despite a brisk mortgage market (Table 7.3). This reflected in part weak consumer credit demand, especially in the early months of the recovery, but mostly a desire by the non-financial corporate sector to reduce its level of indebtedness. The decline in private sector borrowing was, however, partially offset by increased public sector credit demand, and the borrowing of the non-financial sector as a whole remained close to its 1982 level. Given the substantially increased level of economic activity in 1983, this represented a more significant decline as a proportion of GNP. While the total volume of new funds raised was almost unchanged in 1983, the maturity structure lengthened significantly. The proportion of new funds raised abroad also changed as interest rate differentials moved in favour of the domestic market.

Non-Financial Corporations

The past year was one of retrenchment for non-financial corporations. Favourable market conditions allowed a reduction of debt and an increase in equity financing which helped reduce debt-to-equity ratios. A near-record $5.8 billion of new share capital was raised in 1983, most of it in the form of common stock. As well, an additional $2.5 billion was raised through new bond issues, helping to lengthen the maturity structure of corporate debt (Chart 7.3). In contrast to 1981 and 1982, a large portion of this new debt was placed in the Canadian market as Canada-U.S. interest rate differentials narrowed over the course of the year. Through most of 1982 Canadian long-term bond rates had been 150 to 200 basis points

Chart 7.3

Net Funds Raised by the Non-Financial Business Sector



Source: Bank of Canada, *Review*, monthly.

above corresponding U.S. rates. These differentials declined in the fourth quarter of 1982 and continued to decline throughout 1983 (Chart 7.4). By year-end, interest rate differentials for bonds with maturities in the medium-term range were eliminated and for those with longer maturities were reduced to minimal levels.

In addition to raising new long-term capital, non-financial corporations also reduced and restructured their short-term indebtedness. The strong flow of internally generated funds resulting from increased sales during the recovery, and the proceeds from equity and bond issues, were both used to reduce the level of short-term debt outstanding. Moreover, an increasing proportion of short-term financing needs was met by issuing commercial paper and through bankers' acceptances. As a consequence, chartered banks' business loans outstanding fell by the unprecedented amount of almost $11 billion in 1983. While commercial paper issued by non-financial corporations and bankers' acceptances combined increased by $2 billion or about 13 per cent over the course of the year, overall corporate short-term indebtedness nevertheless declined dramatically (Chart 7.5).

Consumer Credit

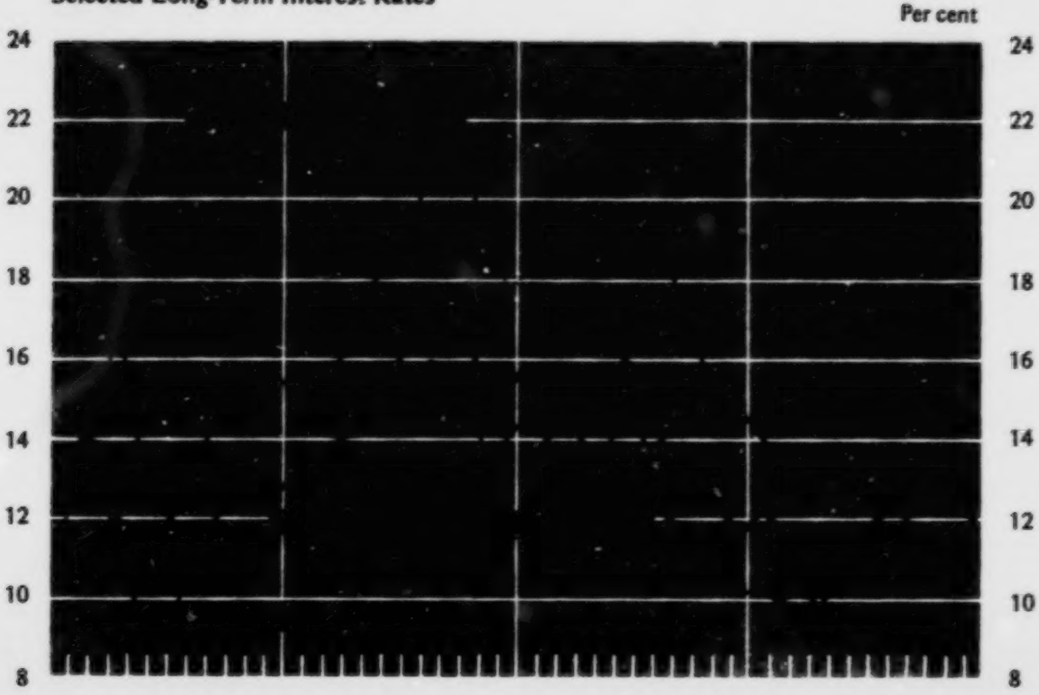
Consumer credit demand, which had declined throughout 1982, continued to fall in the first quarter of 1983. However, as the recovery progressed, improved consumer confidence and continued declines in consumer lending rates led to an expansion of consumer credit balances (Chart 7.6). Nevertheless, for the year as a whole, consumer credit rose by only 4.6 per cent.

Mortgage Credit

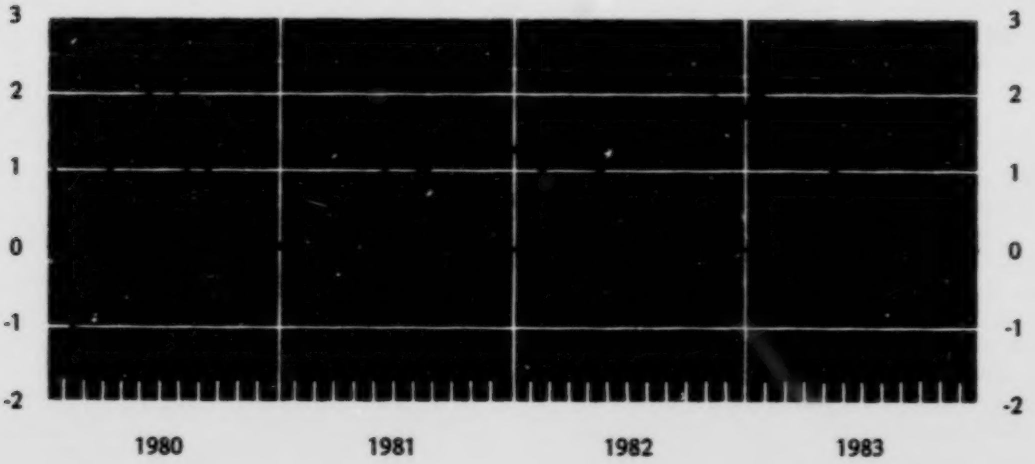
The demand for mortgage funds was stronger in 1983 than it had been in any year since 1980,

Chart 7.4

Selected Long-Term Interest Rates



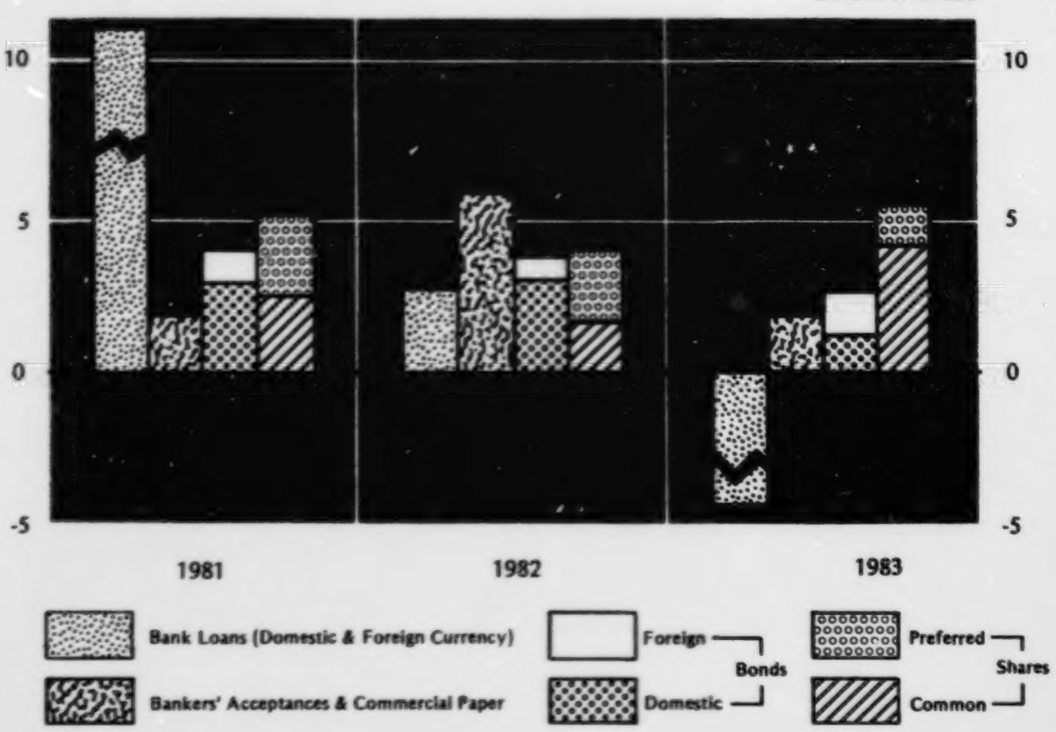
Canada — U.S. Long-Term Differential



Source: Bank of Canada, *Review*, monthly.

Chart 7.5

Net New Funds Raised by Non-Financial Corporations



Source: Bank of Canada: not seasonally adjusted

reflecting both increases in new housing construction and increased resale activity (Chart 7.6). Government programs to assist new housing construction and steep declines in mortgage interest rates were instrumental in this upsurge. Throughout most of 1982, mortgage rates across the maturity spectrum fluctuated in the range of 17 to 19 per cent. Rates fell during the fourth quarter of 1982, bringing five-year mortgages down to about 14 per cent and one-year mortgages down to less than 12 per cent at the beginning of 1983. Demand for longer-term mortgages increased in 1983 but many borrowers continued to exhibit a preference for shorter-term mortgages as rates continued to decline through the year.

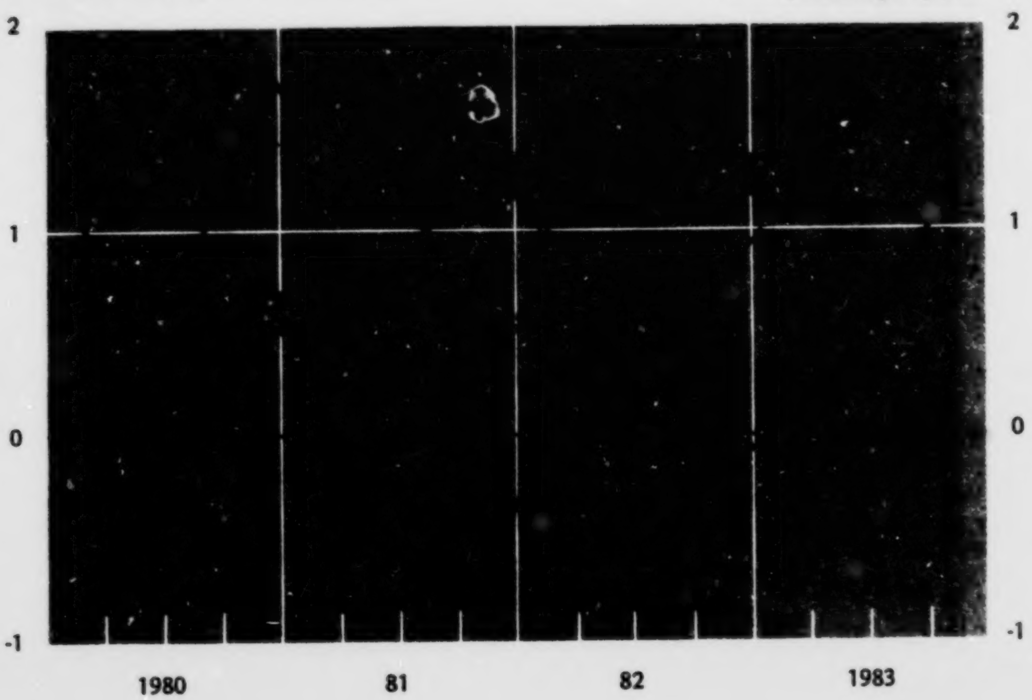
The decline in mortgage rates during 1983 was larger than for many other lending rates. This reflected the fact that mortgage lending was one of the few markets for intermediate funds experiencing vigorous growth and, therefore, attracted a considerable amount of attention from financial institutions. As a result of the competitive pressure on lending rates, the spreads between mortgage rates and savings deposit rates fell in 1983 to their lowest levels in some years.

Public Sector

The public sector raised a record $36.3 billion in new credit in 1983. The Government of Canada accounted for $26.3 billion of this amount, about

Chart 7.6

Net Borrowing of Personal Sector



Source: Bank of Canada, *Review*

half of which was raised through a record volume of Treasury bill issues. The increase in federal borrowing more than offset a small decline in the amount of new credit raised by the provinces and municipalities (Table 7.3).

Financial Institutions

In recent years and in the past two years in particular, rapid changes in inflation and interest rates, low levels of borrowing relative to earlier years, and major swings in borrowing preferences as regards both maturity and type of instruments have created significant competitive stresses within the financial industry. The shortening term of liabilities and assets until mid-1981 generally had negative impacts on the growth of institutions that specialized in long-term assets and liabilities, and positive impacts on those institutions that dealt primarily in shorter-term instruments. The sharp swing since mid-1981 towards longer-term borrowing, meanwhile, has had the opposite effect. These trends are illustrated particularly well by the fluctuations in growth rates experienced by the chartered banks. As short-term business lending grew rapidly during the period through 1981, the banks' assets grew rapidly. When business borrowing declined subsequently, the banks' asset growth stalled. One effect of these trends was to encourage financial institutions to diversify their activities, their sources of funds and their lending markets.

Chartered Banks

In 1983, the chartered banks experienced an overall decline in total Canadian dollar major assets and, as well, a major change in composition of assets, with liquid assets growing rapidly and less liquid assets declining. The weak performance of the banking system in 1983 followed a year of minimal growth in 1982 and contrasted sharply with the extremely rapid growth in

1981 when assets grew by well over 20 per cent. The decline in business loans of 12.3 per cent or close to $11 billion was the main factor in the unprecedented decline of $6.8 billion in less liquid assets. The brisk growth of mortgage lending which added $3.0 billion to banks' assets and the small increase in consumer loans only partially offset the decline in business lending, and the banking system, flush with deposit funds, consequently increased its holdings of liquid assets. This was done primarily through large purchases of Government of Canada Treasury bills. Similar trends were also in evidence with regard to banks' foreign currency assets. In addition to a substantial decline in foreign currency asset growth, there was an increase in liquidity due to a marked shift from loans to interbank deposits.

Despite the decline in assets, profits remained buoyant as the spread between banks' lending rates and their cost of funds widened. This reflected the fact that the inflow of funds into the banking system was more than adequate to support the banks' lending activities, resulting in downward pressure on deposit rates.

Non-Bank Financial Institutions

Total assets of the near banks increased by about $17 billion or nearly 9 per cent in 1983. This relatively strong performance stands in sharp contrast to the decline in banking system assets. The growth of the near banks can be linked to their substantial presence in mortgage markets which represented the major growth area in 1983.

Trusteed pension funds and life insurance companies continued to experience steady asset growth in 1983. The revival of the equity market led these institutions to increase their equity holdings significantly while reducing holdings of liquid assets. This reversed the investment pattern of the previous year when high short-term interest rates and depressed stock prices had induced these institutions into an uncharacteristically high investment in liquid assets.

8. Sectoral and Regional Developments

The economic recovery in 1983 was not uniform across all sectors and regions of the country. During the recession, goods production had declined much more than services, as is typical in cycles, and likewise goods production rose more strongly than services in 1983 (Table 8.1). The recovery was led by inventory changes, exports, consumer expenditure, especially for durables, and housing, and thus the sectors experiencing strongest growth during 1983 included forestry, mining, durable manufacturing and residential construction. In the case of agriculture and fishing, however, output is often affected much more by weather and nature than by economic cycles, so that agricultural output in the second half of 1983 was not much changed from a year earlier when record or near-record crops were harvested. Among services, transportation, communication and storage and trade are more affected by goods production so that these sectors also grew relatively strongly in 1983. Public administration experienced increases throughout the cycle and only modest growth in 1983.

Among regions, the strongest output growth in 1983 occurred in Quebec, Ontario and British Columbia, reflecting the growth in manufacturing, forestry and mining, which are relatively large sectors in the economies of these regions. Weakest growth occurred in the Prairie region where output in the relatively large agricultural sector was only moderately higher than in the preceding year; furthermore, recovery in Alberta was later and modest partly because of the continued weakness in world oil prices.

Sectoral Developments

Agriculture

Following moderate growth in 1982, when the Prairie region experienced record or near-record grain crops, real domestic product in agriculture increased further in 1983. Employment also rose (Table 8.2). Farm cash receipts, however, were down slightly as higher receipts for crops only partly offset lower receipts for livestock and livestock products and reduced supplementary payments. Among the major crops, wheat production in 1983 was the highest on record, even though Prairie wheat production was slightly below the 1982 level, as the increased area seeded more than offset a decline in average yield. Canola output rose for the third consecutive year as plantings increased substantially. However, the production of oats, barley, rye, soybean and flaxseed decreased. Production of major vegetables fell as the potato crop declined due to the reduced area seeded and a lower average yield. Fruit production also fell as apple production was lower.

Cattle slaughter at federally and provincially inspected packing plants remained virtually unchanged from 1982, but average carcass weight increased. Hog slaughter rose moderately. Milk production fell, largely reflecting reduced sales for industrial purposes.

Fishing

The fishing sector in recent years has been affected significantly by the increased groundfish stocks and higher quotas because of the 200-mile limit. In 1981 and 1982, however, the sector experienced particular problems as fishing and processing capacity remained high and the increased interest rates added to costs. Real output in the sector rose substantially in the first half of 1983, as there were substantial increases in the volume of fish landed, particularly on the Atlantic coast. The situation deteriorated considerably in the second half of the year, however, as high inventories and lower exports led to reduced fishing activity, and for the year as a whole there was little, if any, recovery. Preliminary data indicate that there was an overall decline in East Coast fish landings, even though mackerel, tuna, shrimp and lobster were landed in increased volumes. On the East Coast, federal and provincial governments and private sector interests embarked on a reorganization plan to restructure the offshore fishery in Newfoundland and Nova Scotia. On the Pacific Coast, total landings increased in volume terms. Pink salmon catches increased substantially, following an off-cycle year in 1982, while sockeye salmon landings fell significantly.

Table 8.1

The Recovery in 1983 in Real Gross Domestic Product, by Major Sector

	Date of last				
	Peak	Trough	1983 Recovery(1)	1981-1982 Recession(2)	Extent of recovery(3)
	(quarters)		(percentage change)		(per cent)
Agriculture	1981:1	1981:3	5.2	−2.8	181.8
Forestry	1980:3	1982:3	38.8	−36.8	66.7
Fishing and trapping	1981:1	1982:1	0.7	−35.9	1.3
Mining	1980:2	1982:3	27.8	−25.3	81.9
Manufacturing	1981:2	1982:4	17.6	−19.1	74.6
Durables	1981:2	1982:4	26.2	−26.3	74.0
Non-durables	1981:2	1982:4	9.9	−11.2	78.1
Construction	1981:2	1982:3	*	−16.1	*
Utilities	1982:1	1982:4	9.4	−5.7	156.2
Transportation, communication and other utilities	1981:4	1982:4	8.7	−6.5	124.5
Trade	1981:2	1982:3	7.9	−9.8	72.7
Finance, insurance and real estate	1982:1	1982:2	2.2	−0.9	225.0
Community, business and personal services	1981:4	1982:4	3.5	−1.6	212.5
Public administration and defence	1980:4	1981:1	**	**	**
Total GDP	1981:2	1982:4	6.7	−7.3	85.2
Goods	1981:2	1982:4	11.9	−15.1	67.3
Services	1981:2	1982:4	4.1	−2.7	147.3

* Declines in the last two quarters of 1983 left the level of output below that of the preceding trough.

** Growth has been recorded since the second quarter of 1981.

(1) The 1983 recovery is for the period from the preceding trough to the final quarter of 1983.

(2) The 1981-1982 recession covers the period between the previous peak and trough.

(3) The extent of the recovery is calculated by dividing the increase during the 1983 recovery by the decrease during the 1981-1982 recession, multiplied by 100.

Source: Statistics Canada, *Gross Domestic Product by Industry*, annual, cat. 61-213 and monthly 61-005.

Forestry

Production in the forestry sector rose strongly in 1983 following the sharp decline from the third quarter of 1980 to the third quarter of 1982, which resulted from the economic recession as well as prolonged labour disputes on the West Coast in the summer of 1981. About two-thirds of the loss in output in the preceding recession had been recovered by the end of 1983. The recovery was led by lumber production, as housing starts in both Canada and the United States rose substantially, and was most evident in British Columbia, Ontario and Quebec. The production of pulp also recovered strongly, but newsprint production has risen less markedly because of the increased production capacity in the U.S. and greater international competition arising from the devaluation of the Swedish krona in late 1982.

Mining

The Canadian mining sector experienced a strong upturn in 1983 which came mainly from metal mines and to a lesser extent from all of the other groups except mining services, and over four-fifths of the recessionary loss in output had

Table 8.2

The Recovery in 1983 in Employment, by Major Sector and by Region

	Dates of last		1983 Recovery[1]	1981-1982 Recession[2]	Extent of recovery[3]
	Peak	Trough			
	(quarters)		(percentage change)		(per cent)
Employment by major sector					
Agriculture	1981:3	1982:2	6.1	−6.7	84.8
Other primary	1981:3	1982:3	6.9	−22.2	24.3
Manufacturing	1981:2	1982:4	6.2	−14.5	36.5
Construction	1981:3	1983:1	0.9	−14.9	5.1
Transportation, communication, and other utilities	1981:2	1982:3	*	−6.0	*
Trade	1981:4	1982:4	3.4	−4.9	66.7
Finance, insurance and real estate	1982:2	1982:4	7.1	−6.2	107.9
Community, business and personal services	1981:2	1982:1	6.6	−1.0	648.5
Public administration	1980:4	1982:3	2.6	−2.8	90.9
Total employment	1981:2	1982:4	3.5	−4.9	67.8
Employment by region					
Atlantic	1981:2	1982:4	2.6	−4.8	51.3
Quebec	1981:3	1982:3	4.9	−6.8	67.2
Ontario	1981:4	1982:4	4.8	−4.7	97.0
Prairie	1981:3	1982:4	1.5	−2.8	51.7
British Columbia	1981:4	1982:4	1.0	−7.4	12.8

* A decline in the final quarter of 1983 left the level of employment below that of the preceding trough.

(1) The 1983 recovery is for the period from the preceding trough to the final quarter of 1983.

(2) The 1981-1982 recession covers the period between the previous peak and trough.

(3) The extent of the recovery is calculated by dividing the increase during the 1983 recovery by the decrease during the 1981-1982 recession, multiplied by 100.

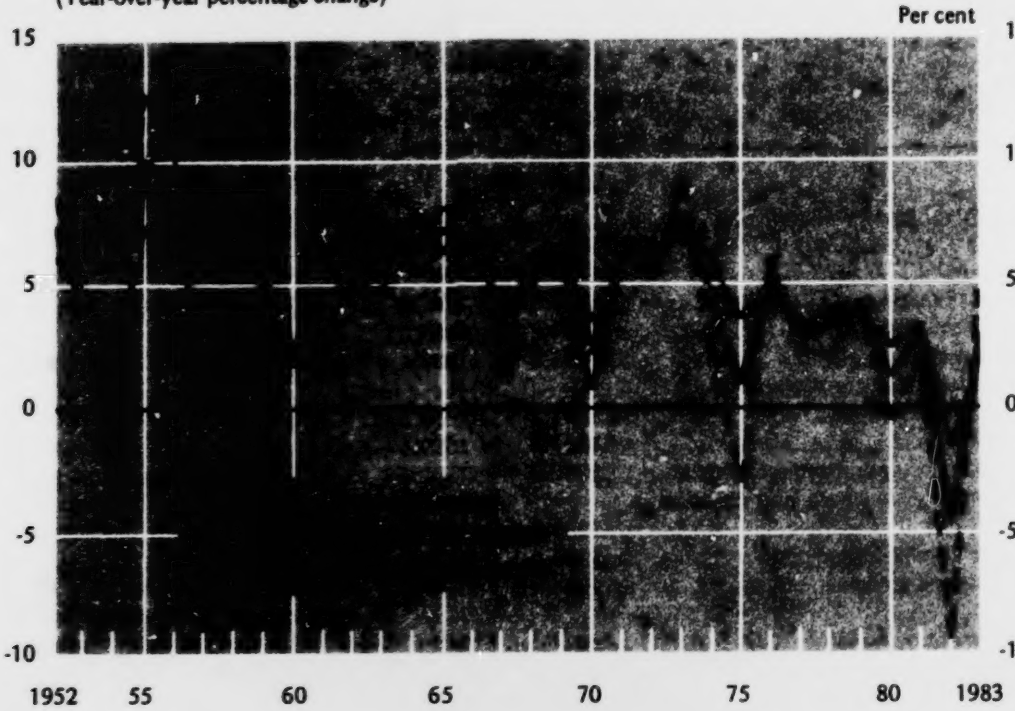
Source: Statistics Canada, *Historical Labour Force Statistics: Actual Data, Seasonal Factors, Seasonally Adjusted Data*, annual, cat. 71-201.

been recovered by the end of 1983. The growth in mining was one of the strongest among the principal sectors, but this sector was also one of the most severely affected by the past recession. The mining sector has experienced cycles which have been quite different from those of the economy as a whole, largely because its output is exported and the impact of strikes has been significant.

The strong recovery of metal mines is primarily a reflection of the reopening of nickel mines. On the other hand, two temporary closures considerably reduced the output of zinc and lead. The recovery of mineral fuels occurred largely because of oil exports which benefited from a temporary relaxation in export regulations. Increased competition in the U.S. and a milder winter resulted in a drop in the production of natural gas. Coal production continued to rise as several mines were opened. The output of non-metal mines increased in 1983 primarily as a result of potash exports as a drought prompted American farmers to purchase more potash in an

Chart 8.1

Real Domestic Product
(Year-over-year percentage change)



Source: Statistics Canada, *Gross Domestic Product by industry*, monthly, cat. 61-005.

effort to improve yields in 1984. The decline in mining services occurred largely because a large part of the metal and non-metal production capacity was idle.

Manufacturing

Recovery in the manufacturing sector was strong throughout 1983, so that three-quarters of the loss in output during the recession had been recovered by the end of the year. In spite of this substantial recovery, manufacturing output in the fourth quarter of 1983 was still about 5 per cent below the previous peak level of the second quarter of 1981, and just over one-third of the loss in employment had been made up by the end of 1983. The recession lasted longer in the petroleum and coal products and the machinery industries, with the trough being reached in the second quarter of 1983, while in some other industries, particularly clothing, knitting mills, transportation equipment and wood products, the recovery started earlier.

Advances were generally very strong in most durable goods industries, particularly motor vehicles and parts, the primary metals and the industries related to housing and automobiles. Output of wood products increased the most after having fallen for three consecutive years. Exports of wood products increased strongly and domestic demand was up sharply as housing starts rose by nearly one-third. Reflecting the upsurge in residential construction, output increases of furniture and fixtures, non-metallic minerals and major electrical appliances were among the strongest. Production of motor vehicles and parts also increased strongly, after five years of declines or only slight increases, in response to higher domestic and foreign demand.

Output of the chemical and chemical products industry rose strongly, partly as a result of the new capacity that came on stream in 1983. The textile industry, which had experienced a steeper than average decline in 1982, and knitting mills experienced growth rates well above the average for the manufacturing sector. However, as capacity utilization remained below average, the output of machinery and the related metal fabricating industries remained depressed and output in 1983 was below that of the preceding year. There were year-over-year declines as well in the outputs of tobacco products and the petroleum and coal products industries.

Construction

The recovery in the construction industry started in the fourth quarter of 1982, one quarter earlier than the reference date for the business cycle, and began to weaken at the end of 1983. Real output in the final quarter of 1983 was lower than a year earlier, and only about 5 per cent of the loss in employment in the preceding recession had been recovered by the end of 1983. The recovery was entirely due to residential construction as housing starts rose sharply in the fourth quarter of 1982 and the first half of 1983. Non-residential construction did not share in the 1983 recovery as business expenditure continued to decline. Construction output for 1983 as a whole was lower than in 1982.

Utilities

Output in utilities tends either to expand slowly, or to decline moderately for a short period, during an economic downturn. Following three relatively moderate consecutive quarterly declines in real output in 1982, activity in the utilities sector recovered in the first quarter of 1983, accompanying the upturn in industrial production. Further quarterly increases occurred in utilities output as industrial activity continued to rise, and by the third quarter output exceeded the previous peak level. Utilities output also benefited from a significant increase in electric power exports to the U.S. following a decline in 1982. The extent of the recovery during 1983 was dampened early in the year by milder average temperatures which reduced heating requirements.

Transportation, Storage and Communication

Real output in the transportation, storage and communication sector, after declining for four consecutive quarters, increased in 1983 and by the final quarter had surpassed its pre-recession level. Railway and truck transportation was particularly stimulated by the recovery in manufacturing, mining and forestry output, but most of the remaining transportation industries experienced output declines for the year, the largest being water and bus transportation. Air transportation for the year decreased further, despite substantial growth in the final quarter in response to the seat sale. Pipeline transport grew slightly as petroleum demand increased but gas demand declined. Storage output, which had not declined during the recession because of record wheat and barley crops, increased further in 1983. Communication output increased only moderately during 1983, thus restraining growth in the sector as a whole.

Trade

The volume of trade output recovered strongly in 1983 at both the wholesale and retail levels. By the final quarter of 1983, almost three-quarters of the loss in output, and two-thirds of the loss in employment, had been recovered. Growth was stronger in retail trade and was most evident in Ontario, Quebec and the Atlantic region. There were sharp increases in household furniture and appliances stores, in part because of the stimulative impact of the temporary removal of the retail sales tax on furniture and furnishings in Ontario, and of the federal budget measures permitting the use of funds in registered home ownership savings plans to buy furniture. Real growth was also substantial for motor vehicle dealers as interest rates were lower and consumer confidence was higher. The growth in wholesale trade was mainly the result of substantial expansion in wholesale trade of lumber and building materials, electrical machinery and equipment, apparel and dry goods and farm products.

Finance, Insurance and Real Estate Services

Output of the finance, insurance and real estate services generally does not decline cyclically during an economic downturn, but on average increases more slowly. Output in this sector increased in 1983, following slight growth in the preceding year, and the previous cyclical peaks of output and employment had been surpassed. The output of banks and other deposit-taking institutions declined in 1983 and chartered bank assets, on average, changed little in 1983. However, the volume of rents rose, reflecting the increases in the number of housing starts in the fourth quarter of 1982 and the first half of 1983, as well as a decrease in the number of newly completed and unoccupied units. There was an increase in stock market activity, mainly in the first half of the year.

Community, Business and Personal Services

Unlike previous postwar economic downturns, this sector experienced a decrease, although small, in real output during the 1981-1982 recession. Real output began to recover in the first quarter of 1983 following four consecutive quarterly declines, and the previous peak level of output was surpassed in the second quarter of 1983. The recovery in output in the first quarter of 1983 was dampened in part by a reduction in education services, associated in large part with the teachers dispute in Quebec, and lower output of accommodation and food services. Employment rose substantially in 1983.

Government and Defence

As in previous cycles, the government sector grew more slowly during the recent recovery than during the recession. This situation arises because the public sector plays an economic stabilizing role. It was the federal public service in which the largest increase occurred in 1983, followed by the provincial governments. At the local level, services grew only slightly in 1983. Approximately the same trend is seen when a comparison is made of the total current expenditure of each level of government deflated by the implicit index of total expenditure by the public sector in Canada. Employment, in comparison, had declined earlier, but in the final quarter of 1983 around nine-tenths of the decrease had been recovered.

Regional Developments

Atlantic Region

As throughout the country, an economic recovery emerged in the Atlantic region in 1983. Retail sales and housing starts increased at well above national rates. However, real economic growth in the region in 1983 is estimated to have been less than at the national level. Employment also increased at below the national rate so that by the final quarter of 1983 about half of the jobs lost during the recession had been recovered, compared to about two-thirds in the country as a whole. The seasonally adjusted unemployment rate peaked in the first quarter of 1983 and came down slowly over the remaining quarters of the year, although on an annual average basis the unemployment rate rose in the region except in Prince Edward Island.

In the primary sector, the volume of fish landings declined for the year as a whole, in spite of strong growth in the first half of 1983, as offshore fishing activity was reduced by plant closures and trawler tie-ups in the second half of the year. In agriculture, increased cash receipts in Prince Edward Island were largely responsible for the higher receipts in the region; increased receipts for crops, especially for potatoes, more than offset declines in receipts from livestock and livestock products. In the mining sector, iron ore production continued to fall sharply in 1983, despite increased shipments, as the higher demand was largely met from inventory stocks; coal production also declined. Forestry benefited from the resurgence in residential construction activity and lumber production increased substantially. Pulpwood production also increased, but was adversely affected by a strike in Nova Scotia and reduced papermaking capacity in Newfoundland.

The value of manufacturing shipments rose in all provinces in the region except Newfoundland where there was reduced activity in the paper and allied products industry. Construction activity increased as housing starts and the value of residential building permits rose substantially in 1983. The value of permits issued for commercial and institutional construction also increased, more than offsetting a decline in the value of industrial building permits. In the utilities sector, the economic recovery in 1983 was reflected in the increased demand for electricity in the region and substantially higher exports of power from New Brunswick to the U.S. following the commercial certification of the Point Lepreau nuclear powered generating facility.

The recovery in the tertiary sector was broadly based. Retail sales in 1983 increased faster than the national average as demand, particularly for automobiles, increased. Restaurant, caterer and tavern receipts also increased at above the national rate. The volume of rents, which comprises a large portion of the finance, insurance and real estate output, benefited from the rise in housing completions during the year. All service-producing sectors, except transportation, storage and communication, had higher employment.

Employment increased in the first three quarters of 1983, following five consecutive declines, but decreased slightly in the last quarter. The seasonally adjusted unemployment rate peaked in the first quarter of 1983, in spite of the rise in employment, as the labour force increased even more due, in part, to a rise in the participation rate. The seasonally adjusted unemployment rate decreased during the remaining quarters, but the average for the year was up from 1982. Wages and salaries increased at above the national rate in 1983.

Quebec

The recovery in Quebec in 1983 was strong. Increased demand for automobiles and other durable goods led to substantial growth in retail trade and manufacturing shipments which were also stimulated by housing construction. Approximately two-thirds of the jobs lost in Quebec between the third quarter of 1981 and the third quarter of 1982 had been recovered by the end of 1983. The rise in employment in Quebec began one quarter earlier than in Canada as a whole. The unemployment rate declined significantly during the recovery but, on average, remained higher in 1983 than in 1982.

In the primary sector, farm cash receipts decreased slightly, owing primarily to a drop in the price of pork. Lumber production increased rapidly during 1983 in response to an accelerated recovery in housing construction in Canada and the U.S., while pulpwood production declined slightly. Iron ore production rose significantly despite a substantial drop in shipments. The province's largest copper producer was closed for the entire year. There was a slight decline in asbestos production as a result of the lower non-residential construction in the U.S.

In the secondary sector, the value of manufacturing shipments rose significantly in 1983, particularly in the textile, clothing, wood, transportation equipment and the primary processing industries. Housing starts were up sharply in 1983, especially in the first three quarters, owing primarily to government programs and the decrease in interest rates. Net electricity generation increased in 1983, reflecting the general upsurge in economic activity and a substantial increase in exports to the U.S.

Employment rose in all of the service sector, with the exception of transportation, communication and other utilities. The value of retail sales increased faster than the national average, with growth being particularly strong among automobile dealers, clothing and furniture, household appliance, radio and television stores. The rate of growth in employment in the community, business and personal services was less than that of the country as a whole primarily because of labour disputes in education in early 1983.

Total employment in Quebec rose more rapidly than in the country as a whole in 1983, and at a quarterly rate which exceeded that of the labour force, resulting in a drop in the unemployment rate. However, the average annual increase in employment was slightly less than that of the labour force and consequently the average annual unemployment rate rose slightly. Labour income rose at above the national rate.

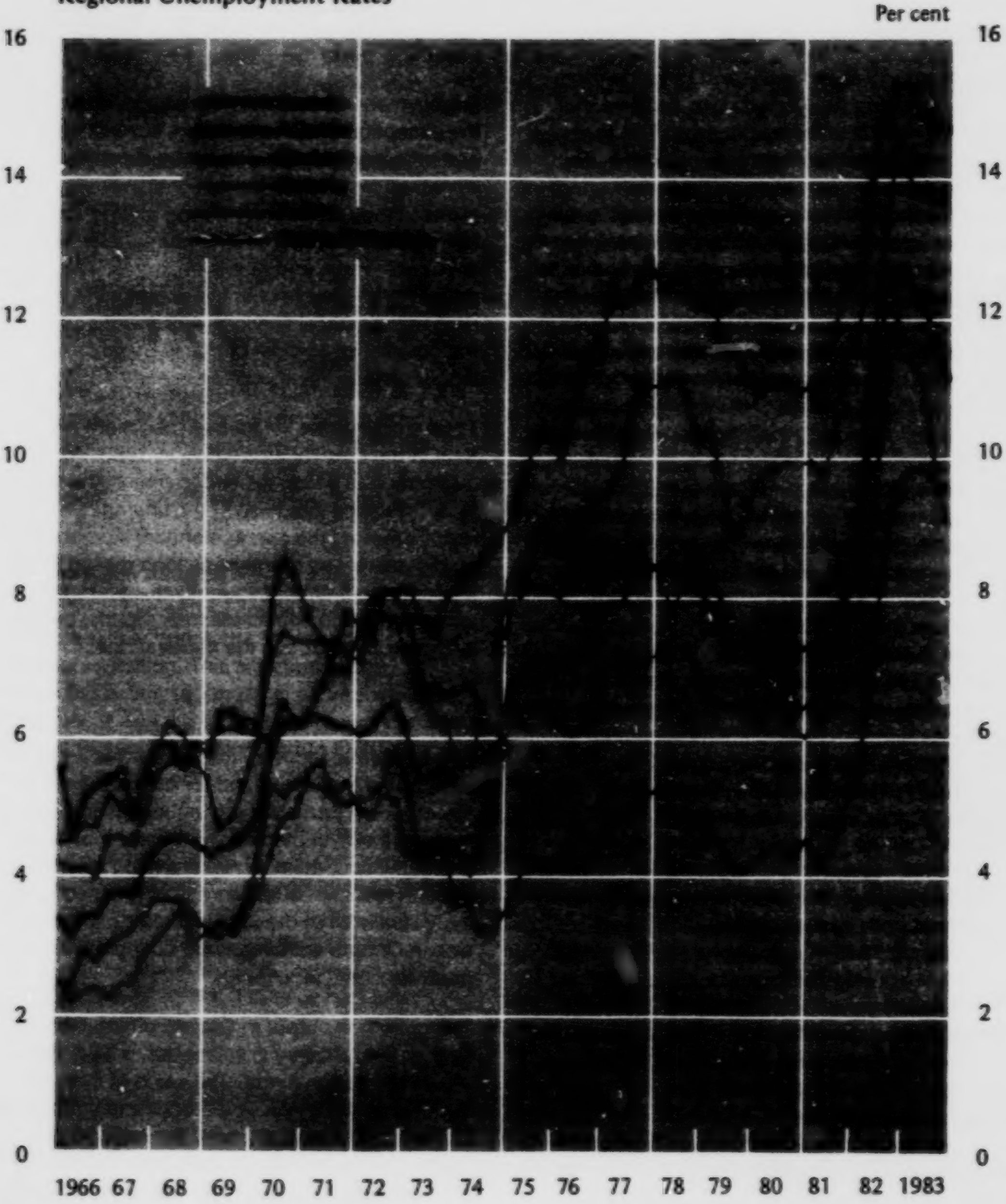
Ontario

The economic recovery in Ontario was led by a turnaround in the demand for durable manufactured goods, particularly cars, a large increase in housing starts in the first two quarters of 1983 and significant gains in nickel mining where production resumed after months of reduced activity. Virtually all of the jobs lost during the recession in Ontario were regained during the first four quarters of the recovery.

The growth in output in Ontario during the first year of the recovery is estimated to have been above the national rate. The value of manufacturing shipments, which had dropped sharply during the recession, rose at above the national rate in 1983. The value of shipments grew particularly strongly in the transportation equipment, non-metallic mineral products, food and beverage and paper and allied products industries. Housing starts rose substantially during the first two quarters of the recovery, in response to the lower and more stable mortgage rates and federal and provincial government incentive programs, but

Chart 8.2

Regional Unemployment Rates



Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001.

declined after these programs terminated. The value of non-residential investment decreased. Electric power generation increased during 1983 mainly in response to strong export demand.

Retail trade rose strongly in 1983, at a rate greater than the increase in consumer prices. Growth was particularly strong in retail sales of motor vehicles and household furniture and furnishings. Sales of furniture and furnishings rose substantially during the second and third quarters mainly in response to the temporary removal of the retail sales tax on these items.

Employment on average for 1983 increased at close to the national rate and by relatively less than the labour force; consequently, the average annual unemployment rate was higher than in 1982, even though the seasonally adjusted quarterly rate decreased over the year. Wages and salaries rose at above the national rate in 1983, reflecting the relatively stronger economic recovery.

The Prairie Region

The Prairie economy is estimated to have grown at less than the national rate; the economic recovery in Alberta started later in the year and was slower, and real output in Manitoba and Saskatchewan increased less rapidly than in the country as a whole. Whereas record or near-record grain crops cushioned the impact of the recession in 1982, agriculture restrained the recovery in Manitoba and Saskatchewan as grain production is estimated to have been lower in 1983. Most major sectors are estimated to have had higher output, but there were decreases in construction and trade and little change in manufacturing. Average employment in 1983 decreased in Alberta, and as a result by the final quarter of 1983 only about half of the jobs lost in the region during the recession had been recovered.

In the primary sector, farm cash receipts were lower in 1983, especially in Alberta due mainly to reduced receipts for livestock and livestock products and lower supplementary payments. Area seeded to major crops, except wheat and canola, was reduced, and this, together with lower yields, resulting partly from the hot summer weather which had a particularly adverse impact in Manitoba, resulted in smaller crops. Production of flaxseed decreased the most, being one-third less than in 1982, followed by declines of one-quarter in oats and barley. Increased wheat production in Alberta was more than offset by decreases in Manitoba and Saskatchewan and the total Prairie wheat crop was slightly lower than the record harvest of 1982. In mining, crude oil production increased, particularly strongly in Saskatchewan, potash production rose considerably, and copper production was up in Manitoba partly reflecting new capacity.

In the secondary sector, the value of manufacturing shipments rose throughout the year and increased slightly for the whole of 1983 after having declined considerably in 1982. The decrease in Manitoba was more than offset by increases in Saskatchewan and Alberta. Strong increases occurred in the shipments of wood products, chemical and chemical products as new capacity came on stream, and in petroleum and coal products where the increases were due to higher prices. Housing starts nearly tripled in Manitoba and increased slightly in Saskatchewan, while Alberta was the only province in the country to experience a decrease. The volume of non-residential construction decreased again in 1983, partly because of lower investment in utilities as expenditure on pipelines was substantially reduced. In utilities, electric power generation rose strongly in Manitoba, and moderately in Saskatchewan and Alberta, while sales of natural gas were lower.

In the services sector, the largest increases were in public administration and transportation, storage and communication. The output of finance, insurance and real estate services is estimated to have increased slightly, while activity in trade was lower as the volume of retail trade declined and there was only a marginal increase in the value of manufacturing shipments.

Labour income increased at below the national rate and at a rate much reduced from 1982. Average employment for all of 1983 was marginally lower as Alberta experienced a decline. The labour force increased relatively strongly as the participation rate rose, particularly in Saskatchewan and Manitoba. Consequently, the average annual rate of unemployment was higher in all these provinces, especially in Alberta, even though the seasonally adjusted rate was slightly lower during the second half of 1983.

British Columbia

The recovery in economic activity in British Columbia, estimated to be above the national rate, was led by a very sharp increase in lumber demand, particularly from the U.S. Wages and salaries rose relatively slowly, however, and employment decreased further toward the latter part of 1983 and consequently only about one-eighth of the jobs lost during the recession were recovered by the final quarter of the year.

The value of manufacturing shipments increased strongly in 1983, particularly in the wood products, petroleum and coal, metal fabricating and non-metallic mineral products industries. Even though the rate of increase in manufacturing shipments was comparable to growth at the national level, the value of shipments in the fourth quarter of 1983 had not yet reached the peak level of the second quarter of 1981. Housing starts increased very strongly in the first two quarters of the year, from the very low levels at the end of 1982, in response to lower and more stable mortgage rates and government incentive programs, and then dropped in the second half of the year due to the termination of these programs. Non-residential investment decreased in 1983, particularly in the wood products and pulp and paper industries. Electric power generation decreased in the utilities sector, partly because of lower export demand.

Retail trade in British Columbia increased relatively less than at the national level in 1983 and by less than the increase in consumer prices. As in most other provinces, growth in retail sales was mainly for motor vehicles and household furniture and furnishings.

Employment in the province started to recover strongly in the first half of the year but decreased thereafter, particularly in the last quarter. The unemployment rate was little changed after the first quarter of 1983 and on average remained higher than in 1982.

Reference Tables

Note: Data in these tables were the latest available at the time of preparation. Statistics are revised, and users are requested to consult the sources for the most up-to-date figures.

Where available, CANSIM identification numbers (D for Statistics Canada and B for Bank of Canada) have been given at the heads of columns to assist readers who have access to machine-readable data and to provide a more detailed cross reference to publications. Where two numbers are given, the top number represents unadjusted data and the bottom number represents seasonally adjusted data.

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Reference Table 1

Demographic Developments 1947 – 1983

Year	Population as of June	Birth rate	Death rate	Natural rate of increase	Immigration rate	Annual growth rate of population	Number of families	Net family formation
D	14	144	157		74			
	(Thousands of persons)	(Per thousand of population)				(Per cent)	(Thousands)	
1947	12,551	28.7	9.4	19.3	5.0	2.1	n.a.	n.a.
1948	12,823	27.3	9.3	17.8	9.8	2.2	n.a.	n.a.
1949	13,447	27.3	9.3	18.0	7.1	4.9	n.a.	n.a.
1950	13,712	27.1	9.1	18.0	5.4	2.0	n.a.	n.a.
1951	14,009	27.2	9.0	18.2	14.0	2.2	3,282	n.a.
1952	14,459	27.9	8.7	19.2	11.5	3.2	3,380	78
1953	14,845	28.1	8.6	19.5	11.5	2.7	3,423	63
1954	15,287	28.5	8.2	20.3	10.2	3.0	3,537	114
1955	15,698	28.2	8.2	20.0	7.1	2.7	3,625	88
1956	16,081	28.0	8.2	19.8	10.4	2.4	3,706	81
1957	16,610	28.2	8.2	20.0	17.0	3.3	3,796	90
1958	17,080	27.5	8.0	19.6	7.4	2.8	3,898	102
1959	17,483	27.4	8.1	19.4	6.2	2.4	3,982	84
1960	17,870	26.8	7.9	19.1	5.9	2.2	4,081	99
1961	18,238	26.1	7.8	18.5	3.5	2.1	4,140	59
1962	18,583	25.3	7.8	17.5	4.1	1.9	4,189	49
1963	18,931	24.6	7.8	16.8	5.0	1.9	4,258	69
1964	19,291	23.5	7.6	15.9	5.9	1.9	4,341	83
1965	19,644	21.3	7.6	13.7	7.5	1.8	4,432	91
1966	20,015	19.5	7.6	11.9	9.8	1.9	4,518	86
1967	20,378	18.3	7.4	10.9	11.0	1.8	4,622	90
1968	20,701	17.7	7.4	10.3	8.9	1.6	4,732	88
1969	21,001	17.7	7.4	10.3	7.7	1.4	4,841	110
1970	21,297	17.5	7.3	10.2	7.0	1.4	4,949	101
1971	21,568	16.8	7.3	9.5	5.7	1.3	5,043	135
1972	21,802	15.9	7.5	8.4	5.6	1.1	5,168	125
1973	22,043	15.6	7.4	8.2	8.4	1.1	5,300	132
1974	22,364	15.5	7.5	8.0	9.8	1.5	5,445	145
1975	22,697	15.8	7.4	8.4	8.3	1.5	5,589	144
1976	22,993	15.6	7.3	8.3	6.5	1.3	5,715	126
1977	23,273	15.6	7.3	8.3	4.9	1.3	5,847	132
1978	23,517	15.2	7.1	8.1	3.7	1.1	5,965	118
1979	23,747	15.4	7.1	8.3	4.7	1.0	6,073	108
1980	24,043	15.4	7.1	8.3	6.0	1.2	6,195	122
1981	24,342	15.2	7.0	8.2	5.3	1.2	6,310	115
1982	24,632	15.1	7.0	8.1	4.8	1.2	6,386	76
1983	24,890	n.a.	n.a.	n.a.	n.a.	1.0	n.a.	n.a.

Source: Statistics Canada, *Vital Statistics*, annual, cat. 84-201 and monthly, cat. 84-001; Statistics Canada, *Estimates of Families in Canada*, cat. 91-204 and unpublished data; and Department of Employment and Immigration.

Reference Table 2
Population by Province[1]
1955 – 1983

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.
D	15	16	17	18	19	20	21	22	23	24	25 + 26
						(Thousands)					
1955	406	100	683	547	4,517	5,266	839	878	1,091	1,342	29
1956	415	99	695	555	4,628	5,405	850	881	1,123	1,399	32
1957	424	99	701	562	4,769	5,636	862	880	1,164	1,482	31
1958	432	100	709	571	4,904	5,821	875	891	1,206	1,538	33
1959	441	101	719	582	5,024	5,969	891	907	1,248	1,567	34
1960	448	103	727	589	5,142	6,111	906	915	1,291	1,602	36
1961	458	105	737	598	5,259	6,236	922	925	1,332	1,629	38
1962	468	107	746	605	5,371	6,351	936	930	1,369	1,660	40
1963	476	108	751	609	5,481	6,481	949	933	1,403	1,699	41
1964	483	109	755	611	5,584	6,631	959	942	1,430	1,745	42
1965	488	109	756	615	5,685	6,788	965	950	1,450	1,797	41
1966	493	109	756	617	5,781	6,961	963	955	1,463	1,874	43
1967	499	109	760	620	5,864	7,127	963	957	1,490	1,945	44
1968	506	110	767	625	5,928	7,262	971	960	1,524	2,003	45
1969	514	111	775	628	5,985	7,385	979	958	1,559	2,060	47
1970	517	110	782	627	6,013	7,551	983	941	1,595	2,128	50
1971	522	112	789	635	6,028	7,703	988	926	1,628	2,185	53
1972	530	113	795	640	6,054	7,810	991	914	1,657	2,241	57
1973	537	114	804	647	6,079	7,909	996	905	1,690	2,302	60
1974	542	115	812	654	6,123	8,054	1,008	900	1,722	2,376	60
1975	549	117	820	665	6,179	8,172	1,014	907	1,778	2,433	63
1976	558	118	829	677	6,235	8,265	1,022	921	1,838	2,467	64
1977	560	119	833	684	6,284	8,353	1,027	935	1,913	2,499	65
1978	562	121	838	688	6,302	8,440	1,032	944	1,983	2,542	66
1979	564	122	842	692	6,339	8,501	1,028	951	2,053	2,589	66
1980	565	123	845	695	6,386	8,570	1,025	959	2,141	2,666	67
1981	568	123	847	696	6,438	8,625	1,026	968	2,237	2,744	69
1982	569	123	852	699	6,482	8,716	1,035	979	2,317	2,790	71
1983	578	124	859	707	6,522	8,816	1,047	993	2,350	2,824	71
						(Per cent change)					
1955	2.8	−1.0	1.5	1.3	2.9	3.0	1.9	0.6	3.2	3.6	7.4
1956	2.2	−0.7	1.7	1.4	2.5	2.6	1.3	0.3	2.9	4.2	8.6
1957	2.1	−0.3	0.9	1.3	3.0	4.3	1.4	−0.8	3.6	6.0	−1.6
1958	1.9	1.0	1.1	1.6	2.8	3.3	1.5	1.3	3.6	3.8	6.5
1959	2.1	1.0	1.4	1.9	2.4	2.5	1.8	1.8	3.5	1.9	3.0
1960	1.6	2.0	1.1	1.2	2.3	2.4	1.7	0.9	3.4	2.2	5.9
1961	2.2	1.6	1.4	1.5	2.3	2.0	1.7	1.1	3.2	1.7	4.4
1962	2.2	2.3	1.2	1.2	2.1	1.8	1.6	0.5	2.8	1.9	6.5
1963	1.7	0.9	0.7	0.7	2.0	2.0	1.4	0.3	2.5	2.3	2.5
1964	1.5	0.9	0.5	0.3	1.9	2.3	1.1	1.0	1.9	2.7	2.4
1965	1.0	0.0	0.1	0.7	1.8	2.4	0.6	0.8	1.4	3.0	−2.4
1966	1.1	−0.5	0.0	0.3	1.7	2.5	−0.2	0.6	0.9	4.3	5.1
1967	1.1	0.5	0.5	0.5	1.4	2.4	−0.1	0.2	1.8	3.8	2.1
1968	1.4	0.9	0.9	0.8	1.1	1.9	0.8	0.3	2.3	3.0	2.3
1969	1.6	0.9	1.0	0.5	1.0	1.7	0.8	−0.2	2.3	2.8	4.4
1970	0.6	−0.9	0.9	−0.2	0.5	2.2	0.4	−1.8	2.3	3.3	6.4
1971	1.0	1.5	0.9	1.2	0.2	2.0	0.5	−1.6	2.1	2.7	6.4
1972	1.5	0.9	0.7	0.9	0.4	1.4	0.3	−1.3	1.8	2.6	6.8
1973	1.4	1.2	1.2	1.1	0.4	1.3	0.5	−1.0	1.9	2.7	5.5
1974	0.8	1.1	0.9	1.0	0.7	1.8	1.1	−0.5	1.9	3.2	0.3
1975	1.4	1.6	1.0	1.8	0.9	1.5	0.6	0.9	3.2	2.4	4.0
1976	1.6	0.9	1.1	1.8	0.9	1.1	0.8	1.5	3.4	1.4	3.0
1977	0.4	0.9	0.6	1.0	0.8	1.1	0.6	1.5	4.0	1.3	0.3
1978	0.3	1.4	0.5	0.6	0.3	1.0	0.4	0.9	3.7	1.7	2.3
1979	0.4	0.8	0.5	0.6	0.6	0.7	−0.4	0.8	3.5	1.9	0.3
1980	0.4	0.7	0.4	0.5	0.7	0.8	−0.3	0.9	4.3	3.0	1.1
1981	0.4	−0.2	0.3	0.1	0.8	0.6	0.1	0.9	4.5	2.9	2.8
1982	0.3	0.2	0.6	0.4	0.7	1.1	0.9	1.1	3.6	1.7	2.9
1983	1.5	1.0	0.8	1.1	0.6	1.1	1.2	1.4	1.4	1.2	−0.3

Reference Table 2 (continued)

Population by Province[1]
1955 – 1983

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.
(Percentage distribution of total among provinces)											
1955	2.6	0.6	4.4	3.5	28.8	33.5	5.3	5.6	6.9	8.5	0.2
1956	2.6	0.6	4.3	3.4	28.8	33.6	5.3	5.5	7.0	8.7	0.2
1957	2.6	0.6	4.2	3.4	28.7	33.9	5.2	5.3	7.0	8.9	0.2
1958	2.5	0.6	4.2	3.3	28.7	34.1	5.1	5.2	7.1	9.0	0.2
1959	2.5	0.6	4.1	3.3	28.7	34.1	5.1	5.2	7.1	9.0	0.2
1960	2.5	0.6	4.1	3.3	28.8	34.2	5.1	5.1	7.2	9.0	0.2
1961	2.5	0.6	4.0	3.3	28.8	34.2	5.1	5.1	7.3	8.9	0.2
1962	2.5	0.6	4.0	3.3	28.9	34.2	5.0	5.0	7.4	8.9	0.2
1963	2.5	0.6	4.0	3.2	29.0	34.2	5.0	4.9	7.4	9.0	0.2
1964	2.5	0.6	3.9	3.2	28.9	34.4	5.0	4.9	7.4	9.0	0.2
1965	2.5	0.6	3.8	3.1	28.9	34.6	4.9	4.8	7.4	9.1	0.2
1966	2.5	0.5	3.8	3.1	28.9	34.8	4.8	4.8	7.3	9.4	0.2
1967	2.4	0.5	3.7	3.0	28.8	35.0	4.7	4.7	7.3	9.5	0.2
1968	2.4	0.5	3.7	3.0	28.6	35.1	4.7	4.6	7.4	9.7	0.2
1969	2.4	0.5	3.7	3.0	28.5	35.2	4.7	4.6	7.4	9.8	0.2
1970	2.4	0.5	3.7	2.9	28.2	35.5	4.6	4.4	7.5	10.0	0.2
1971	2.4	0.5	3.7	2.9	27.9	35.7	4.6	4.3	7.5	10.1	0.2
1972	2.4	0.5	3.6	2.9	27.8	35.8	4.5	4.2	7.6	10.3	0.3
1973	2.4	0.5	3.6	2.9	27.6	35.9	4.5	4.1	7.7	10.4	0.3
1974	2.4	0.5	3.6	2.9	27.4	36.0	4.5	4.0	7.7	10.6	0.3
1975	2.4	0.5	3.6	2.9	27.2	36.0	4.5	4.0	7.8	10.7	0.3
1976	2.4	0.5	3.6	2.9	27.1	35.9	4.4	4.0	8.0	10.7	0.3
1977	2.4	0.5	3.6	2.9	27.0	35.9	4.4	4.0	8.2	10.7	0.3
1978	2.4	0.5	3.6	2.9	26.8	35.9	4.4	4.0	8.4	10.8	0.3
1979	2.4	0.5	3.5	2.9	26.7	35.8	4.3	4.0	8.6	10.9	0.3
1980	2.4	0.5	3.5	2.9	26.6	35.6	4.3	4.0	8.9	11.1	0.3
1981	2.3	0.5	3.5	2.9	26.4	35.4	4.2	4.0	9.2	11.3	0.3
1982	2.3	0.5	3.5	2.8	26.3	35.4	4.2	4.0	9.4	11.3	0.3
1983	2.3	0.5	3.5	2.8	26.2	35.4	4.2	4.0	9.4	11.3	0.3

[1] Population as of June.

Source: Statistics Canada, *Annual Estimates of Population for Canada and Provinces at June 1st*, annual, cat. 91-201.

Reference Table 3

Gross National Expenditure
1947 – 1983

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Value of physical change in inventories	Exports of goods and services	Imports of goods and services	Residual error of estimate	Gross national expenditure at market prices
			Total	Govern-ment	Business	Housing					
D	40014 40254	40015 40255	40016 40256	40017 40257		40022 40262	40025 40265	40029 40269	40030 40270	40031 40271	40548 40551
					(Millions of dollars)						
1947	9,362	1,343	2,350	304	1,591	455	343	3,661	−3,601	15	13,473
1948	10,370	1,454	3,057	424	1,974	659	97	4,055	−3,630	106	15,509
1949	11,365	1,722	3,439	456	2,188	795	78	4,004	−3,853	45	16,800
1950	12,482	1,928	3,862	521	2,388	953	549	4,158	−4,492	4	18,491
1951	13,857	2,811	4,424	640	2,950	834	871	5,052	−5,580	205	21,640
1952	15,162	3,620	5,096	779	3,371	946	499	5,568	−5,369	12	24,588
1953	16,181	3,824	5,733	782	3,699	1,252	600	5,380	−5,806	−79	25,833
1954	16,934	3,825	5,714	873	3,429	1,412	−202	5,137	−5,543	53	25,918
1955	18,388	4,036	6,422	948	3,689	1,785	285	5,749	−6,390	38	28,528
1956	20,090	4,426	8,000	1,144	5,031	1,825	985	6,350	−7,664	−129	32,058
1957	21,492	4,573	8,689	1,327	5,693	1,669	170	6,379	−7,767	−23	33,513
1958	22,845	4,854	8,535	1,397	5,049	2,089	−296	6,329	−7,321	−169	34,777
1959	24,390	4,976	8,647	1,508	5,006	2,133	414	6,674	−8,028	−227	36,846
1960	25,479	5,281	8,473	1,560	5,119	1,794	409	7,004	−8,092	−195	38,359
1961	25,930	6,206	8,392	1,674	4,929	1,789	116	7,624	−8,480	−142	39,646
1962	27,452	6,608	8,885	1,903	5,128	1,854	667	8,234	−9,045	126	42,927
1963	29,225	6,982	9,556	1,985	5,612	1,959	669	9,068	−9,561	39	45,978
1964	31,389	7,593	11,205	2,023	6,800	2,382	553	10,503	−10,913	−50	50,280
1965	33,947	8,358	13,179	2,440	8,105	2,634	1,244	11,182	−12,341	−205	55,364
1966	36,890	9,748	15,361	2,841	9,915	2,605	1,225	13,045	−14,259	−182	61,828
1967	39,972	11,153	15,628	2,954	9,865	2,809	260	14,663	−15,234	−33	66,409
1968	43,704	12,684	15,754	2,983	9,518	3,253	745	16,719	−17,010	−10	72,586
1969	47,492	14,241	17,232	3,055	10,332	3,845	1,467	18,761	−19,821	443	79,815
1970	50,327	16,630	18,015	3,173	11,342	3,500	105	21,167	−20,214	−345	85,685
1971	55,616	18,368	20,800	3,754	12,230	4,816	392	22,181	−22,016	−891	94,450
1972	62,208	20,291	23,051	3,968	13,263	5,820	544	24,580	−25,250	−190	105,234
1973	71,278	23,037	27,848	4,305	16,156	7,387	1,588	30,718	−30,954	45	123,560
1974	83,388	27,816	34,260	5,462	20,022	8,776	3,451	38,992	−41,009	630	147,528
1975	96,995	33,380	40,044	6,323	24,489	9,232	−239	40,452	−45,589	300	165,343
1976	111,657	38,325	44,927	6,318	26,256	12,353	2,094	45,790	−50,429	−507	191,857
1977	123,565	43,374	48,376	6,790	28,597	12,989	886	52,810	−57,557	−1,265	210,189
1978	136,532	47,772	52,482	7,140	31,598	13,744	390	63,307	−68,274	2	232,211
1979	152,088	52,284	60,921	7,397	39,113	14,411	3,880	77,532	−83,038	612	264,279
1980	170,236	59,595	69,196	8,277	46,635	14,284	−1,290	91,391	−93,716	1,143	296,555
1981	193,477	68,405	82,058	9,557	56,069	16,432	1,322	100,628	−107,946	1,111	339,055
1982	209,801	77,193	77,685	10,630	54,056	12,999	−9,747	101,438	−99,863	93	356,600
1983	229,034	83,390	76,533	11,154	49,083	16,296	−1,480	108,181	−107,487	515	388,686

Reference Table 3 (continued)
Gross National Expenditure
1947 – 1983

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Exports of goods and services	Imports of goods and services	Gross national expenditure at market prices
			Total	Government	Business	Housing			
					(Per cent change)				
1948	10.8	8.3	30.1	39.5	24.1	44.8	10.8	0.8	15.1
1949	9.6	18.4	12.5	7.6	10.8	20.6	−1.3	6.1	8.3
1950	9.8	12.0	12.3	14.3	9.1	19.9	3.9	16.6	10.1
1951	11.0	45.8	14.6	22.8	23.5	−12.5	21.5	24.2	17.0
1952	9.4	28.8	15.2	21.7	14.3	13.4	10.2	−3.8	13.6
1953	6.7	5.6	12.5	0.4	9.7	32.3	−3.4	8.1	5.1
1954	4.7	0.0	−0.3	11.6	−7.3	12.8	−4.5	−4.5	0.3
1955	8.6	5.5	12.4	8.6	7.6	26.4	11.9	15.3	10.1
1956	9.3	9.7	24.6	20.7	36.4	2.2	10.5	19.9	12.4
1957	7.0	3.3	8.6	16.0	13.2	−8.6	0.5	1.3	4.5
1958	6.3	6.1	−1.8	5.3	−11.3	25.2	−0.8	−5.7	3.8
1959	6.8	2.5	1.3	8.0	−0.9	2.1	5.5	9.7	6.0
1960	4.5	6.1	−2.0	3.5	2.3	−15.9	4.9	0.8	4.1
1961	1.8	17.5	−1.0	7.3	−3.7	−0.3	8.9	4.8	3.4
1962	5.9	6.5	5.9	13.7	4.0	3.6	8.0	6.7	8.3
1963	6.5	5.7	7.6	4.3	9.4	5.7	10.1	5.7	7.1
1964	7.4	8.8	17.3	1.9	21.2	21.6	15.8	14.1	9.4
1965	8.2	10.1	17.6	20.6	19.2	10.6	6.5	13.1	10.1
1966	8.7	16.6	16.6	16.4	22.3	−1.1	16.7	15.5	11.7
1967	8.4	14.4	1.7	4.0	−0.5	7.8	12.4	6.8	7.4
1968	9.3	13.7	0.8	1.0	−3.5	15.8	14.0	11.7	9.3
1969	8.7	12.3	9.4	2.4	8.6	18.2	12.2	16.5	10.0
1970	6.0	16.8	4.5	3.9	9.8	−9.0	12.8	2.0	7.4
1971	10.5	10.5	15.5	18.3	7.8	37.6	4.8	8.9	10.2
1972	11.9	10.5	10.8	5.7	8.4	20.9	10.8	14.7	11.4
1973	14.6	13.5	20.8	8.5	21.8	26.9	25.0	22.6	17.4
1974	17.0	20.7	23.0	26.9	23.9	18.8	26.9	32.5	19.4
1975	16.3	20.0	16.9	15.8	22.3	5.2	3.7	11.2	12.1
1976	15.1	14.8	12.2	−0.1	7.2	33.8	13.2	10.6	16.0
1977	10.7	13.2	7.7	7.5	8.9	5.2	15.3	14.1	9.6
1978	10.5	10.1	8.5	5.2	10.5	5.8	19.9	18.6	10.5
1979	11.4	9.4	16.1	3.6	23.8	4.9	22.5	21.6	13.8
1980	11.9	14.0	13.6	11.9	19.2	−0.9	17.9	12.9	12.2
1981	13.7	14.8	18.6	15.5	20.2	15.0	10.1	15.2	14.3
1982	8.4	12.9	−5.3	11.2	−3.6	−20.9	0.8	−7.5	5.2
1983	9.2	8.0	−1.5	4.9	−9.2	25.4	6.7	7.6	9.0

Source: Statistics Canada, *National Income and Expenditure Accounts*, annual, cat. 13-531, and quarterly, cat. 13-001.

Reference Table 4

Gross National Expenditure in Constant 1971 Dollars 1947 – 1983

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Value of physical change in inventories	Exports of goods and services	Imports of goods and services	Residual error of estimate	Gross national expenditure in constant 1971 dollars
			Total	Government	Business[1]	Housing					
D	40562 40594	40568 40600	40569 40601	40570 40602		40576 40608	40581 40613	40586 4C618	40588 40620	40540 40622	40561 40593
					(Millions of dollars)						
1947	18,546	4,747	5,316	627	3,646	1,085	672	6,170	−6,411	39	29,498
1948	18,099	4,504	6,103	779	4,025	1,342	109	6,375	−5,781	211	30,231
1949	19,138	4,982	6,553	806	4,245	1,552	215	5,997	−5,939	83	31,388
1950	20,394	5,367	7,042	884	4,438	1,773	789	5,956	−6,469	10	33,762
1951	20,546	7,000	7,068	915	4,855	1,346	1,025	6,513	−7,277	333	35,450
1952	21,984	8,624	7,892	1,090	5,351	1,499	481	7,260	−7,527	20	38,617
1953	23,512	8,890	8,861	1,162	5,793	1,967	752	7,185	−8,151	−124	40,605
1954	24,375	8,549	8,858	1,296	5,372	2,237	−238	6,917	−7,761	86	40,106
1955	26,456	8,736	9,678	1,308	5,655	2,776	410	7,442	−8,799	61	43,891
1956	28,440	8,956	11,446	1,425	7,313	2,794	1,144	8,002	−10,215	−187	47,599
1957	29,504	8,807	12,262	1,751	8,097	2,485	249	8,075	−10,096	−31	48,718
1958	30,562	9,074	12,126	1,942	7,115	3,120	−280	8,047	−9,386	−239	49,844
1959	32,264	8,999	12,191	2,090	6,949	3,190	468	8,360	−10,357	−317	51,737
1960	33,392	9,218	11,790	2,142	7,045	2,631	523	8,717	−10,347	−271	53,231
1961	33,761	10,494	11,748	2,378	6,776	2,602	251	9,374	−10,559	−196	54,741
1962	35,272	10,911	12,278	2,664	6,921	2,704	756	9,744	−10,769	175	58,475
1963	36,992	11,070	12,841	2,682	7,373	2,794	764	10,631	−11,125	54	61,487
1964	39,218	11,637	14,549	2,652	8,634	3,264	655	12,058	−12,595	−64	65,610
1965	41,606	12,253	16,259	3,003	9,848	3,413	1,441	12,606	−14,140	−256	69,981
1966	43,778	13,388	18,015	3,307	11,548	3,168	1,385	14,315	−15,989	−215	74,844
1967	45,863	14,343	17,942	3,403	11,314	3,229	253	15,770	−16,805	−31	77,344
1968	48,138	15,429	17,964	3,430	10,835	3,702	771	17,727	−18,284	−6	81,864
1969	50,353	15,993	18,850	3,350	11,326	4,175	1,518	19,462	−20,727	491	86,225
1970	51,526	17,650	18,904	3,329	11,863	3,718	84	21,223	−20,588	−341	88,390
1971	55,616	18,368	20,800	3,754	12,230	4,816	392	22,181	−22,016	−891	94,450
1972	59,841	18,930	21,955	3,772	12,751	5,432	515	23,655	−24,489	−159	100,248
1973	63,879	19,795	24,384	3,751	14,667	5,966	1,346	26,156	−27,824	76	107,812
1974	67,160	20,584	25,694	3,957	15,802	5,935	2,642	25,620	−30,538	516	111,678
1975	70,645	21,399	26,661	4,127	17,031	5,503	−252	23,993	−29,684	243	113,005
1976	75,180	21,598	27,731	3,909	17,239	6,583	1,368	26,304	−32,274	−295	119,612
1977	77,009	22,299	27,606	3,944	17,416	6,246	360	28,233	−32,798	−721	121,988
1978	79,038	22,671	27,585	3,851	17,594	6,140	129	31,207	−34,291	8	126,347
1979	80,607	22,750	29,448	3,644	19,827	5,977	1,766	32,141	−36,662	312	130,362
1980	81,431	22,932	30,601	3,676	21,294	5,631	−663	32,753	−35,915	536	131,675
1981	82,961	23,053	32,601	3,761	22,920	5,920	632	33,685	−37,286	468	136,114
1982	81,206	23,175	28,798	3,886	20,360	4,552	−3,240	33,152	−33,072	50	130,069
1983	83,688	23,239	27,683	3,999	17,874	5,810	−146	35,289	−35,940	182	133,995

Reference Table 4 (continued)

Gross National Expenditure in Constant 1971 Dollars 1948 – 1983

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Exports of goods and services	Imports of goods and services	Gross national expenditure in constant 1971 dollars
			Total	Govern-ment	Business[1]	Housing			
				(Per cent change)					
1948	−2.4	−5.1	14.8	24.2	10.4	23.7	3.3	−9.8	2.5
1949	5.7	10.6	7.4	3.5	5.5	15.7	−5.9	2.7	3.8
1950	6.6	7.7	7.5	9.7	4.5	14.2	−0.7	8.9	7.6
1951	0.8	30.4	0.4	3.5	9.4	−24.1	9.4	12.5	5.0
1952	7.0	23.2	11.7	19.1	10.2	11.4	11.5	3.4	8.9
1953	7.0	3.1	12.3	6.6	8.3	31.2	−1.0	8.3	5.2
1954	3.7	−3.8	0.0	11.5	−7.3	13.7	−3.7	−4.8	−1.2
1955	8.5	2.2	9.3	0.9	5.3	24.1	7.6	13.4	9.4
1956	7.5	2.5	18.3	8.9	29.3	0.7	7.5	16.1	8.5
1957	3.7	−1.7	7.1	22.9	10.7	−11.1	0.9	−1.2	2.4
1958	3.6	3.0	−1.1	10.9	−12.1	25.6	−0.4	−7.0	2.3
1959	5.6	−0.8	0.5	7.6	−2.3	2.2	3.9	10.4	3.8
1960	3.5	2.4	−3.3	2.5	1.4	−17.5	4.3	−0.1	2.9
1961	1.1	13.8	−0.4	11.0	−3.8	−1.1	7.5	2.1	2.8
1962	4.5	4.0	4.5	12.0	2.1	3.9	4.0	2.0	6.8
1963	4.9	1.5	4.6	0.7	6.5	3.3	9.1	3.3	5.2
1964	6.0	5.1	13.3	−1.1	17.1	16.8	13.4	13.2	6.7
1965	6.1	5.3	11.8	13.2	14.1	4.6	4.5	12.3	6.7
1966	5.2	9.3	10.8	10.1	17.2	−7.2	13.6	13.1	7.0
1967	4.8	7.1	−0.4	2.9	−2.0	1.9	10.2	5.1	3.3
1968	5.0	7.6	0.1	0.8	−4.2	14.7	12.4	8.8	5.8
1969	4.6	3.7	4.9	−2.3	4.5	12.8	9.8	13.4	5.3
1970	2.3	10.4	0.3	−0.6	4.7	−11.0	9.1	−0.7	2.5
1971	7.9	4.1	10.0	12.8	3.1	29.5	4.5	6.9	6.9
1972	7.6	3.1	5.6	0.5	4.3	12.8	6.7	11.2	6.1
1973	6.8	4.6	11.1	−0.6	15.0	9.8	10.6	13.6	7.6
1974	5.1	4.0	5.4	5.5	7.7	−0.5	−2.1	9.8	3.6
1975	5.2	4.0	3.8	4.3	7.8	−7.3	−6.4	−2.8	1.2
1976	6.4	0.9	4.0	−5.3	1.2	19.6	9.6	8.7	5.9
1977	2.4	3.3	−0.5	0.9	1.0	−5.1	7.3	1.6	2.0
1978	2.6	1.7	−0.1	−2.4	1.0	−1.7	10.5	4.6	3.6
1979	2.0	0.4	6.8	−5.4	12.7	−2.7	3.0	6.9	3.2
1980	1.0	0.8	3.9	0.9	7.4	−5.8	1.9	−2.0	1.0
1981	1.9	0.5	6.5	2.3	7.6	5.1	2.9	3.8	3.4
1982	−2.1	0.5	−11.7	3.3	−11.2	−23.1	−1.6	−11.3	−4.4
1983	3.1	0.3	−3.9	2.9	−12.2	27.6	6.5	8.7	3.0

Source: Statistics Canada, *National Income and Expenditure Accounts.*

[1] The data prior to 1971 include adjusting entries in the national accounts for business gross fixed capital formation.

Reference Table 5

Structural Changes in Demand (Percentage Distribution of Gross National Expenditure by Components) 1947 – 1983

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Value of physical change in inventories	Exports of goods and services	Imports of goods and services	Residual error of estimate	Gross national expenditure at market prices
			Total	Government	Business	Housing					
D	31171	31176	31181	31182		31187	31190	31194	31195	31196	31197
1947	69.5	10.0	17.4	2.2	11.8	3.4	2.5	27.2	−26.7	0.1	100.0
1948	66.9	9.4	19.7	2.7	12.8	4.2	0.6	26.1	−23.4	0.7	100.0
1949	67.6	10.3	20.5	2.7	13.1	4.7	0.4	23.8	−22.9	0.3	100.0
1950	67.5	10.4	20.9	2.8	12.9	5.2	3.0	22.5	−24.3	0.0	100.0
1951	64.0	13.0	20.4	3.0	13.6	3.8	4.0	23.4	−25.8	1.0	100.0
1952	61.7	14.7	20.7	3.2	13.7	3.8	2.0	22.6	−21.8	0.1	100.0
1953	62.6	14.8	22.2	3.0	14.4	4.8	2.3	20.8	−22.4	−0.3	100.0
1954	65.4	14.8	22.0	3.4	13.2	5.4	−0.8	19.8	−21.4	0.2	100.0
1955	64.5	14.1	22.5	3.3	12.9	6.3	1.0	20.2	−22.4	0.1	100.0
1956	62.7	13.8	24.9	3.5	15.7	5.7	3.1	19.8	−23.9	−0.4	100.0
1957	64.1	13.7	25.9	3.9	17.0	5.0	0.5	19.0	−23.1	−0.1	100.0
1958	65.7	14.0	24.5	4.0	14.5	6.0	−0.8	18.2	−21.1	−0.5	100.0
1959	66.2	13.5	23.5	4.1	13.6	5.8	1.1	18.1	−21.8	−0.6	100.0
1960	66.4	13.8	22.1	4.1	13.3	4.7	1.1	18.2	−21.1	−0.5	100.0
1961	65.4	15.7	21.2	4.2	12.5	4.5	0.3	19.2	−21.4	−0.4	100.0
1962	63.9	15.4	20.7	4.4	12.0	4.3	1.6	19.2	−21.1	0.3	100.0
1963	63.6	15.2	20.8	4.3	12.2	4.3	1.4	19.7	−20.8	0.1	100.0
1964	62.4	15.1	22.3	4.0	13.6	4.7	1.1	20.9	−21.7	−0.1	100.0
1965	61.3	15.1	23.8	4.4	14.6	4.8	2.2	20.2	−22.3	−0.3	100.0
1966	59.7	15.8	24.8	4.6	16.0	4.2	2.0	21.1	−23.1	−0.3	100.0
1967	60.2	16.8	23.5	4.4	14.9	4.2	0.4	22.1	−22.9	−0.1	100.0
1968	60.2	17.5	21.7	4.1	13.1	4.5	1.0	23.0	−23.4	0.0	100.0
1969	59.5	17.8	21.6	3.8	13.0	4.8	1.8	23.5	−24.8	0.6	100.0
1970	58.7	19.4	21.0	3.7	13.2	4.1	0.1	24.7	−23.5	−0.4	100.0
1971	58.9	19.4	22.0	4.0	12.9	5.1	0.4	23.5	−23.3	−0.9	100.0
1972	59.1	19.3	21.9	3.8	12.6	5.5	0.5	23.4	−24.0	−0.2	100.0
1973	57.7	18.7	22.5	3.5	13.0	6.0	1.3	24.9	−25.1	0.0	100.0
1974	56.5	18.9	23.2	3.7	13.6	5.9	2.4	26.4	−27.8	0.4	100.0
1975	58.7	20.2	24.2	3.8	14.8	5.6	−0.2	24.5	−27.6	0.2	100.0
1976	58.2	20.0	23.4	3.3	13.7	6.4	1.1	23.9	−26.3	−0.3	100.0
1977	58.8	20.7	23.0	3.2	13.6	6.2	0.4	25.1	−27.4	−0.6	100.0
1978	58.8	20.6	22.6	3.1	13.6	5.9	0.2	27.2	−29.4	0.0	100.0
1979	57.5	19.8	23.1	2.8	14.8	5.5	1.5	29.3	−31.4	0.2	100.0
1980	57.4	20.1	23.3	2.8	15.7	4.8	−0.4	30.8	−31.6	0.4	100.0
1981	57.0	20.2	24.2	2.8	16.5	4.9	0.4	29.7	−31.8	0.3	100.0
1982	58.8	21.6	21.8	3.0	15.2	3.7	−2.7	26.5	−28.0	0.0	100.0
1983	58.9	21.5	19.7	2.9	12.6	4.2	−0.4	27.8	−27.7	0.1	100.0

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 6

Structural Changes in Demand (Percentage Distribution of Gross National Expenditure in Constant 1971 Dollars by Components) 1947 – 1983

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Value of physical change in inventories	Exports of goods and services	Imports of goods and services	Residual error of estimate	Gross national expenditure in constant 1971 dollars
			Total	Government	Business	Housing					
1947	62.9	16.1	18.0	2.1	12.4	3.7	2.3	20.9	−21.7	0.1	100.0
1948	59.9	14.9	20.2	2.6	13.3	4.4	0.4	21.1	−19.1	0.7	100.0
1949	61.0	15.9	20.9	2.6	13.5	4.9	0.7	19.1	−18.9	0.3	100.0
1950	60.4	15.9	20.9	2.6	13.1	5.3	2.3	17.6	−19.2	0.0	100.0
1951	58.0	19.8	19.9	2.6	13.7	3.8	2.9	18.4	−20.5	0.9	100.0
1952	56.9	22.3	20.4	2.8	13.9	3.9	1.3	18.8	−19.5	0.1	100.0
1953	57.9	21.9	21.8	2.9	14.3	4.8	1.9	17.7	−20.1	−0.3	100.0
1954	60.8	21.3	22.1	3.2	13.4	5.6	−0.6	17.3	−19.4	0.2	100.0
1955	60.3	19.9	22.1	3.0	12.9	6.3	0.9	17.0	−20.1	0.1	100.0
1956	59.8	18.8	24.0	3.0	15.4	5.9	2.4	16.8	−21.5	−0.4	100.0
1957	60.6	18.1	25.2	3.6	16.6	5.1	0.5	16.6	−20.7	−0.1	100.0
1958	61.3	18.2	24.3	3.9	14.3	6.3	−0.6	16.1	−18.8	−0.5	100.0
1959	62.4	17.4	23.6	4.0	13.4	6.2	0.9	16.2	−20.0	−0.6	100.0
1960	62.7	17.3	22.1	4.0	13.2	4.9	1.0	16.4	−19.4	−0.5	100.0
1961	61.7	19.2	21.5	4.3	12.4	4.8	0.5	17.1	−19.3	−0.4	100.0
1962	60.3	18.7	21.0	4.6	11.8	4.6	1.3	16.7	−18.4	0.3	100.0
1963	60.2	18.0	20.9	4.4	12.0	4.5	1.2	17.3	−18.1	0.1	100.0
1964	59.8	17.7	22.2	4.0	13.2	5.0	1.0	18.4	−19.2	−0.1	100.0
1965	59.5	17.5	23.2	4.3	14.1	4.9	2.1	18.0	−20.2	−0.4	100.0
1966	58.5	17.9	24.1	4.4	15.4	4.2	1.9	19.1	−21.4	−0.3	100.0
1967	59.3	18.5	23.2	4.4	14.6	4.2	0.3	20.4	−21.7	0.0	100.0
1968	58.8	18.9	21.9	4.2	13.2	4.5	0.9	21.7	−22.3	0.0	100.0
1969	58.4	18.6	21.9	3.9	13.1	4.8	1.8	22.6	−24.0	0.6	100.0
1970	58.3	20.0	21.4	3.8	13.4	4.2	0.1	24.0	−23.3	−0.4	100.0
1971	58.9	19.5	22.0	4.0	12.9	5.1	0.4	23.5	−23.3	−0.9	100.0
1972	59.7	18.9	21.9	3.8	12.7	5.4	0.5	23.6	−24.4	−0.2	100.0
1973	59.3	18.4	22.6	3.5	13.6	5.5	1.3	24.3	−25.8	0.1	100.0
1974	60.1	18.4	23.0	3.5	14.1	5.3	2.4	22.9	−27.3	0.5	100.0
1975	62.5	18.9	23.6	3.7	15.1	4.9	−0.2	21.2	−26.3	0.2	100.0
1976	62.9	18.1	23.2	3.3	14.4	5.5	1.1	22.0	−27.0	−0.3	100.0
1977	63.1	18.3	22.6	3.2	14.3	5.1	0.3	23.1	−26.9	−0.6	100.0
1978	62.6	17.9	21.8	3.1	13.9	4.9	0.1	24.7	−27.1	0.0	100.0
1979	61.8	17.5	22.6	2.8	15.2	4.6	1.4	24.7	−28.1	0.2	100.0
1980	61.8	17.4	23.2	2.8	16.2	4.3	−0.5	24.9	−27.3	0.4	100.0
1981	61.0	16.9	24.0	2.8	16.8	4.4	0.5	24.8	−27.4	0.3	100.0
1982	62.4	17.8	22.1	3.0	15.6	3.5	−2.5	25.5	−25.4	0.1	100.0
1983	62.5	17.3	20.7	3.0	13.3	4.3	−0.1	26.3	−26.8	0.1	100.0

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 7

Gross Expenditure Per Capita, Canada and by Province 1962 – 1982

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
D	31720 31236	31742 31237	31764 31238	31786 31239	31808 31240	31830 31241	31852 31242	31874 31243	31896 31244	44014 31245	31940 31246 + 31247	31698 31248
						(Dollars)						
1962	1,140	1,158	1,503	1,373	2,132	2,804	2,159	2,201	2,507	2,588	2,085	2,354
1963	1,221	1,192	1,565	1,441	2,204	2,933	2,227	2,591	2,637	2,718	2,198	2,472
1964	1,349	1,302	1,669	1,612	2,398	3,148	2,386	2,456	2,774	2,921	2,250	2,647
1965	1,450	1,415	1,789	1,750	2,584	3,372	2,547	2,652	3,029	3,189	3,080	2,856
1966	1,632	1,517	1,973	1,920	2,818	3,677	2,730	3,121	3,424	3,422	3,316	3,133
1967	1,712	1,614	2,142	2,029	3,005	3,911	2,964	2,861	3,612	3,603	3,486	3,315
1968	1,916	1,814	2,346	2,214	3,172	4,225	3,248	3,031	3,919	3,838	3,993	3,562
1969	2,082	1,944	2,651	2,404	3,431	4,596	3,509	3,265	4,230	4,234	4,291	3,876
1970	2,311	2,178	2,828	2,603	3,647	4,802	3,710	3,215	4,493	4,284	4,540	4,069
1971	2,479	2,307	2,995	2,810	3,918	5,171	3,996	3,788	4,884	4,709	4,306	4,408
1972	2,529	2,551	3,396	3,209	4,337	5,731	4,406	3,997	5,441	5,264	4,904	4,886
1973	2,952	3,216	3,887	3,726	4,936	6,516	5,226	5,222	6,693	6,376	6,312	5,686
1974	3,498	3,318	4,382	4,334	5,790	7,495	6,124	6,964	9,140	7,264	8,205	6,725
1975	3,888	3,887	4,865	4,860	6,435	8,104	6,871	7,812	10,571	7,831	7,660	7,410
1976	4,586	4,381	5,577	5,422	7,490	9,249	7,793	8,626	11,607	9,180	7,906	8,477
1977	5,136	4,672	6,053	5,825	8,051	9,972	8,175	8,963	12,814	10,106	9,692	9,175
1978	5,470	5,386	6,722	6,602	8,975	10,817	8,976	10,154	14,444	11,114	11,015	10,130
1979	6,573	6,025	7,448	7,975	9,931	12,119	10,114	11,525	16,956	12,715	13,348	11,461
1980	6,606	6,415	7,421	7,532	11,001	13,309	11,078	13,815	19,676	13,998	15,493	12,714
1981	7,504	7,187	8,646	8,716	12,425	15,261	12,765	15,915	21,818	15,723	13,957	14,443
1982	8,257	8,049	9,741	9,485	12,839	15,739	13,459	16,039	22,899	16,025	16,507	15,004
						(Per cent change)						
1963	7.1	2.9	4.1	5.0	3.4	4.6	3.1	17.7	5.2	5.0	5.4	5.0
1964	10.5	9.2	6.7	11.9	8.8	7.3	7.1	−5.2	5.2	7.4	2.4	7.1
1965	7.5	8.7	7.2	8.5	7.7	7.1	6.8	8.0	9.2	9.2	36.9	7.9
1966	12.5	7.3	10.3	9.7	9.1	9.0	7.2	17.7	13.1	7.3	7.7	9.7
1967	4.9	6.3	8.5	5.7	6.6	6.4	8.6	−8.3	5.5	5.3	5.1	5.8
1968	11.9	12.4	9.5	9.1	5.5	8.0	9.6	5.9	8.5	6.5	14.5	7.5
1969	8.7	7.2	13.0	8.6	8.2	8.8	8.0	7.7	7.9	10.3	7.5	8.8
1970	11.0	12.0	6.7	8.3	6.3	4.5	5.7	−1.5	6.2	1.2	5.8	5.0
1971	7.3	5.9	5.9	8.0	7.4	7.7	7.7	17.8	8.7	9.9	−5.2	8.3
1972	2.0	10.6	13.4	14.2	10.7	10.8	10.3	5.5	11.4	11.8	13.9	10.8
1973	16.7	26.0	14.5	16.1	13.8	13.7	18.6	30.6	23.0	21.1	28.7	16.4
1974	18.5	3.2	12.7	16.3	17.3	15.0	17.2	33.4	36.6	13.9	30.0	18.3
1975	11.1	17.1	11.0	12.1	11.1	8.1	12.2	12.2	15.7	7.8	−6.6	10.2
1976	18.0	12.7	14.6	11.6	16.4	14.1	13.4	10.4	9.8	17.2	3.2	14.4
1977	12.0	6.6	8.5	7.4	7.5	7.8	4.9	3.9	10.4	10.1	22.6	8.2
1978	6.5	15.3	11.1	13.3	11.5	8.5	9.8	13.3	12.7	10.0	13.6	10.4
1979	20.2	11.8	10.8	20.8	10.6	12.0	12.7	13.5	17.4	14.4	21.2	13.1
1980	0.5	6.5	3.7	−5.6	10.8	9.8	9.5	19.9	16.0	10.1	16.1	10.9
1981	13.6	12.0	12.0	15.7	12.9	14.7	15.2	15.2	10.9	12.3	−9.9	13.6
1982	10.0	12.0	12.7	8.8	3.3	3.1	5.4	0.8	5.0	1.9	18.3	3.9

Reference Table 7 (continued)

Gross Expenditure Per Capita, Canada and by Province 1962 – 1982

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
	(Personal expenditure per capita, by province, as a percentage of personal expenditure per capita at the national level)											
1962	48.4	49.2	63.8	58.3	90.5	119.1	91.7	93.5	106.5	109.9	88.6	100.0
1963	49.4	48.2	63.3	58.3	89.2	118.7	90.1	104.8	106.7	110.0	88.9	100.0
1964	50.9	49.2	63.1	60.9	90.6	118.9	90.1	92.8	104.8	110.3	85.0	100.0
1965	50.8	49.5	62.7	61.3	90.5	118.1	89.2	92.9	106.1	111.7	107.9	100.0
1966	52.1	48.4	63.0	61.3	90.0	117.4	87.1	99.6	109.3	109.2	105.6	100.0
1967	51.7	48.7	64.6	61.2	90.7	118.0	89.4	88.3	109.0	108.7	105.2	100.0
1968	53.8	50.9	65.8	62.2	89.0	118.6	91.2	85.1	110.0	107.7	112.1	100.0
1969	53.7	50.2	66.4	62.0	88.5	118.6	90.5	84.2	109.1	109.2	110.7	100.0
1970	56.8	53.5	69.5	64.0	89.6	118.0	91.2	79.0	110.4	105.3	111.6	100.0
1971	56.2	52.3	68.0	63.8	88.9	117.3	90.7	85.9	110.8	106.8	97.7	100.0
1972	51.8	52.2	69.5	65.7	88.8	117.3	90.2	81.8	111.4	107.7	100.4	100.0
1973	51.9	56.6	68.4	65.5	86.8	114.6	91.9	91.8	117.7	112.1	111.0	100.0
1974	52.0	49.3	65.2	64.4	86.1	111.4	91.1	103.5	135.9	108.0	122.0	100.0
1975	52.5	52.5	65.7	65.6	86.8	109.4	92.7	105.4	142.7	105.7	103.4	100.0
1976	54.1	51.7	65.8	64.0	88.4	109.1	91.9	101.8	136.9	108.3	93.3	100.0
1977	56.0	50.9	66.0	63.5	87.7	108.7	89.1	97.7	139.7	110.2	105.6	100.0
1978	54.0	53.2	66.4	65.2	88.6	106.8	88.6	100.2	142.6	109.7	108.7	100.0
1979	57.3	52.6	65.0	69.6	86.6	105.7	88.2	100.6	147.9	110.9	116.5	100.0
1980	52.0	50.5	60.7	59.2	86.5	104.7	87.1	108.7	154.8	110.1	121.9	100.0
1981	52.0	49.8	59.9	60.3	86.0	105.7	88.4	110.2	151.1	108.9	96.6	100.0
1982	55.0	53.6	64.9	63.2	85.6	104.9	89.7	106.9	152.6	106.8	110.0	100.0

Note: Gross expenditure per capita is obtained by dividing personal expenditure by population as of June. Percentages are calculated from unrounded data.

Source: Statistics Canada, *Annual Estimates of Population for Canada and Provinces as of June 1; Provincial Economic Accounts*, annual, cat. 13-213.

Reference Table 8

Gross Provincial Expenditure
1962 – 1982

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
D	31720	31742	31764	31786	31808	31830	31852	31874	31896	44014	31940	31698
						(Millions of dollars)						
1962	533	124	1,121	830	11,449	17,811	2,021	2,047	3,432	4,296	83	43,749
1963	581	129	1,175	878	12,081	19,009	2,113	2,417	3,700	4,618	90	46,791
1964	651	142	1,260	985	13,392	20,876	2,288	2,313	3,964	5,096	94	51,062
1965	708	154	1,352	1,070	14,691	22,888	2,458	2,520	4,391	5,730	126	56,095
1966	805	165	1,492	1,184	16,292	25,594	2,629	2,981	5,009	6,413	143	62,706
1967	854	176	1,628	1,258	17,621	27,873	2,854	2,738	5,382	7,008	153	67,547
1968	969	200	1,799	1,384	18,802	30,683	3,154	2,910	5,973	7,688	180	73,740
1969	1,070	216	2,055	1,510	20,534	33,944	3,435	3,128	6,594	8,722	202	81,410
1970	1,195	240	2,211	1,632	21,931	36,258	3,647	3,025	7,166	9,116	227	86,648
1971	1,294	256	2,363	1,784	23,620	39,829	3,948	3,507	7,951	10,289	228	95,071
1972	1,341	288	2,699	2,054	26,258	44,762	4,369	3,654	9,016	11,796	280	106,517
1973	1,585	367	3,125	2,410	30,006	51,548	5,205	4,726	11,311	14,677	379	125,339
1974	1,892	382	3,558	2,835	35,451	60,363	6,167	6,268	15,739	17,260	492	150,407
1975	2,134	455	3,989	3,232	39,762	66,230	6,967	7,086	18,796	19,054	483	168,186
1976	2,559	517	4,623	3,671	46,701	76,436	7,964	7,945	21,333	22,647	506	194,902
1977	2,876	556	5,042	3,984	50,592	83,296	8,396	8,380	24,513	25,269	630	213,536
1978	3,074	652	5,633	4,542	56,562	91,297	9,263	9,575	28,643	28,251	727	238,219
1979	3,707	735	6,271	5,519	62,953	103,021	10,397	10,960	34,811	32,920	861	272,175
1980	3,739	789	6,524	5,235	70,250	114,057	11,355	13,249	42,126	37,318	1,038	305,680
1981	4,262	884	7,332	6,066	79,990	131,625	13,097	15,406	48,806	43,145	963	51,576
1982	4,698	990	8,299	6,630	83,236	137,183	13,930	15,702	53,056	44,709	1,172	369,605
						(Per cent change)						
1963	8.9	3.9	4.8	5.7	5.5	6.7	4.6	18.1	7.8	7.5	8.0	7.0
1964	12.1	10.3	7.3	12.3	10.8	9.8	8.2	−4.3	7.2	10.3	4.9	9.1
1965	8.6	8.7	7.3	9.3	9.7	9.6	7.4	8.9	10.8	12.4	33.7	9.9
1966	13.7	7.3	10.3	10.1	10.9	11.8	6.9	18.3	14.1	11.9	12.9	11.8
1967	6.2	6.3	9.1	6.2	8.2	8.9	8.6	−8.1	7.5	9.3	7.6	7.7
1968	13.5	13.4	10.5	10.0	6.7	10.1	10.5	6.3	11.0	9.7	17.1	9.2
1969	10.4	8.2	14.2	9.1	9.2	10.6	8.9	7.5	10.4	13.5	12.2	10.4
1970	11.7	11.0	7.6	8.1	6.8	6.8	6.2	−3.3	8.7	4.5	12.5	6.4
1971	8.3	6.9	6.9	9.4	7.7	9.8	8.3	15.9	11.0	12.9	.5	9.7
1972	3.6	12.6	14.2	15.1	11.2	12.4	10.7	4.2	13.4	14.6	22.5	12.0
1973	18.2	27.2	15.8	17.4	14.3	15.2	19.1	29.3	25.5	24.4	35.5	17.7
1974	19.4	4.1	13.9	17.6	18.1	17.1	18.5	32.6	39.1	17.6	30.0	20.0
1975	12.8	19.2	12.1	14.0	12.2	9.7	13.0	13.1	19.4	10.4	−2.0	11.8
1976	19.9	13.7	15.9	13.6	17.5	15.4	14.3	12.1	13.5	18.9	4.8	15.9
1977	12.4	7.5	9.1	8.5	8.3	9.0	5.4	5.5	14.9	11.6	24.5	9.6
1978	6.9	17.3	11.7	14.0	11.8	9.6	10.3	14.3	16.8	11.8	15.4	11.6
1979	20.6	12.7	11.3	21.5	11.3	12.8	12.2	14.5	21.5	16.5	21.2	14.3
1980	0.9	7.3	4.0	−5.1	11.6	10.7	9.2	20.9	21.0	13.4	17.8	12.3
1981	14.0	12.0	12.4	15.9	13.9	15.4	15.3	16.3	15.9	15.6	−7.2	15.0
1982	10.2	12.0	13.2	9.3	4.1	4.2	6.4	1.9	8.7	3.6	21.7	5.1

Reference Table 8 (continued)

Gross Provincial Expenditure
1962 – 1982

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
(Percentage distribution of total among provinces)												
1962	1.2	0.3	2.6	1.9	26.2	40.7	4.6	4.7	7.8	9.8	0.2	100.0
1963	1.2	0.3	2.5	1.9	25.8	40.6	4.5	5.2	7.9	9.9	0.2	100.0
1964	1.3	0.3	2.5	1.9	26.2	40.9	4.5	4.5	7.8	10.0	0.2	100.0
1965	1.3	0.3	2.4	1.9	26.2	40.8	4.4	4.5	7.8	10.2	0.2	100.0
1966	1.3	0.3	2.4	1.9	26.0	40.8	4.2	4.8	8.0	10.2	0.2	100.0
1967	1.3	0.3	2.4	1.9	26.1	41.3	4.2	4.1	8.0	10.4	0.2	100.0
1968	1.3	0.3	2.4	1.9	25.5	41.6	4.3	3.9	8.1	10.4	0.2	100.0
1969	1.3	0.3	2.5	1.9	25.2	41.7	4.2	3.8	8.1	10.7	0.2	100.0
1970	1.4	0.3	2.6	1.9	25.3	41.8	4.2	3.5	8.3	10.5	0.3	100.0
1971	1.4	0.3	2.5	1.9	24.8	41.9	4.2	3.7	8.4	10.8	0.2	100.0
1972	1.3	0.3	2.5	1.9	24.7	42.0	4.1	3.4	8.5	11.1	0.3	100.0
1973	1.3	0.3	2.5	1.9	23.9	41.1	4.2	3.8	9.0	11.7	0.3	100.0
1974	1.3	0.3	2.4	1.9	23.6	40.1	4.1	4.2	10.5	11.5	0.3	100.0
1975	1.3	0.3	2.4	1.9	23.6	39.4	4.1	4.2	11.2	11.3	0.3	100.0
1976	1.3	0.3	2.4	1.9	23.6	39.2	4.1	4.1	10.9	11.6	0.2	100.0
1977	1.3	0.3	2.4	1.9	23.7	39.0	3.9	3.9	11.5	11.8	0.3	100.0
1978	1.3	0.3	2.4	1.9	23.7	38.3	3.9	4.0	12.0	11.9	0.3	100.0
1979	1.4	0.3	2.3	2.0	23.1	37.9	3.8	4.0	12.8	12.1	0.3	100.0
1980	1.2	0.3	2.1	1.7	23.0	37.3	3.7	4.3	13.8	12.2	0.3	100.0
1981	1.2	0.3	2.1	1.7	22.8	37.4	3.7	4.4	13.9	12.3	0.3	100.0
1982	1.2	0.3	2.2	1.8	22.5	37.1	3.8	4.2	14.4	12.1	0.3	100.0

Source: Statistics Canada, *Provincial Economic Accounts.*

Reference Table 9

National Income and Gross National Product 1950 – 1983

Year	Wages, salaries and supplementary labour income[1]	Corporation profits before taxes	Dividends paid to non-residents	Interest and miscellaneous investment income	Accrued net income of farm operators from farm production	Net income of non-farm unincorporated business including rents	Inventory valuation adjustment	Net national income at factor cost	Indirect taxes less subsidies	Capital consumption allowances and miscellaneous valuation adjustments	Residual error of estimate	Gross national product at market prices
D		40002 40242	40003 40243	40004 40244	40005 40245	40006 40246	40007 40247	40008 40248	40009 40249	40010 40250	40011 40251	40548 40551
						(Millions of dollars)						
1950	9,152	2,608	−412	396	1,301	1,882	−374	14,553	2,065	1,876	−3	18,491
1951	10,770	3,144	−379	463	1,868	1,976	−643	17,199	2,548	2,098	−205	21,640
1952	12,073	3,071	−346	523	1,878	2,155	114	19,468	2,799	2,333	−12	24,586
1953	13,062	2,985	−328	583	1,462	2,359	2	20,125	2,994	2,634	80	25,833
1954	13,451	2,755	−339	628	918	2,496	87	19,996	3,042	2,930	−52	25,916
1955	14,369	3,485	−396	764	1,120	2,748	−182	21,908	3,321	3,337	−38	28,528
1956	16,171	3,928	−450	869	1,283	2,827	−245	24,383	3,731	3,814	130	32,058
1957	17,519	3,554	−505	977	908	2,962	−59	25,356	3,975	4,159	23	33,513
1958	17,962	3,669	−486	1,063	1,116	3,133	−41	26,436	4,036	4,135	170	34,777
1959	19,149	3,966	−527	1,062	1,008	3,207	−108	27,757	4,401	4,461	227	36,846
1960	20,141	3,870	−495	1,129	1,026	3,192	−26	28,837	4,587	4,739	196	38,359
1961	21,009	4,086	−622	1,284	826	3,261	−41	29,783	4,838	4,833	142	39,646
1962	22,466	4,450	−621	1,416	1,377	3,380	−100	32,370	5,446	5,236	−125	42,927
1963	23,932	4,932	−652	1,563	1,562	3,576	−213	34,700	5,714	5,603	−39	45,978
1964	26,034	5,841	−787	1,724	1,307	3,705	−144	37,680	6,441	6,108	51	50,280
1965	28,878	6,318	−828	1,891	1,389	3,893	−322	41,219	7,284	6,655	206	55,364
1966	32,629	6,714	−850	2,070	1,950	4,116	−335	46,294	8,030	7,322	182	61,828
1967	36,160	6,623	−874	2,362	1,239	4,355	−327	49,738	8,852	7,786	33	66,409
1968	39,318	7,742	−835	2,623	1,321	4,778	−341	54,606	9,662	8,308	10	72,586
1969	43,949	8,294	−854	3,082	1,435	5,187	−576	60,517	10,722	9,019	−443	79,815
1970	47,620	7,699	−952	3,428	1,211	5,424	−195	64,235	11,299	9,806	345	85,685
1971	52,436	8,681	−1,079	3,906	1,576	5,928	−665	70,783	12,276	10,500	891	94,450
1972	58,549	10,799	−1,031	4,577	1,662	6,170	−1,032	79,694	13,876	11,474	190	105,234
1973	67,849	15,417	−1,277	5,359	3,009	6,656	−2,362	94,651	15,598	13,355	−44	123,560
1974	81,289	20,062	−1,645	7,632	3,859	6,901	−4,244	113,854	18,257	16,046	−629	147,528
1975	94,625	19,663	−1,835	8,661	3,944	7,669	−2,938	129,789	17,584	18,270	−300	165,343
1976	110,507	19,994	−1,718	10,845	3,317	7,408	−2,002	148,351	21,520	21,479	507	191,857
1977	122,039	20,940	−2,095	12,964	2,831	7,994	−3,687	160,986	23,907	24,031	1,265	210,189
1978	133,237	25,722	−2,843	15,996	3,657	8,958	−4,902	179,825	25,563	26,824	−1	232,211
1979	149,805	34,000	−3,032	19,189	3,911	9,740	−7,392	206,221	27,728	30,942	−612	264,279
1980	169,606	37,266	−3,195	22,062	4,001	10,827	−7,061	233,506	28,909	35,282	−1,142	296,555
1981	195,761	33,008	−3,728	27,110	4,227	12,291	−6,960	261,709	37,896	40,561	−1,111	339,055
1982	210,348	21,102	−3,347	28,926	4,166	14,323	−3,917	271,601	40,780	44,312	−93	356,600
1983	222,199	32,251	−2,887	30,432	3,909	16,361	−2,488	299,777	42,422	47,002	−515	388,686

Reference Table 9 (continued)

National Income and Gross National Product 1950 – 1983

Year	Wages, salaries and supplementary labour income[1]	Corporation profits before taxes	Dividends paid to non-residents	Interest and miscellaneous investment income	Accrued net income of farm operators from farm production	Net income of non-farm unincorporated business including rents	Net national income at factor cost	Indirect taxes less subsidies	Capital consumption allowances and miscellaneous valuation adjustments	Gross national product at market prices
					(Per cent change)					
1950	8.0	29.8	26.4	36.1	7.4	6.2	9.2	10.0	14.1	10.1
1951	17.7	20.6	−8.0	16.9	43.6	5.0	18.2	23.4	11.8	17.0
1952	12.1	−2.3	−8.7	13.0	0.5	9.1	13.2	9.9	11.2	13.6
1953	8.2	−2.8	−5.2	11.5	−22.2	9.5	3.4	7.0	12.9	5.1
1954	3.0	−7.7	3.4	7.7	−37.2	5.9	−0.6	1.6	11.2	0.3
1955	6.8	26.5	16.8	21.7	22.0	10.0	9.6	9.2	13.9	10.1
1956	12.5	12.7	13.6	13.7	14.6	2.9	11.3	12.4	14.3	12.4
1957	8.3	−9.5	12.2	12.4	−29.2	4.8	4.0	6.5	9.1	4.5
1958	2.6	3.2	−3.8	8.8	22.9	5.8	4.3	1.5	−0.6	3.8
1959	6.5	8.1	8.4	−0.1	−9.7	2.4	5.0	9.0	7.9	6.0
1960	5.2	−2.4	−6.1	6.3	1.8	−0.5	3.9	4.2	6.2	4.1
1961	4.3	5.1	25.7	13.7	−19.5	2.2	3.3	5.5	3.0	3.4
1962	6.9	9.4	−0.2	10.3	66.7	3.7	8.7	12.6	7.2	8.3
1963	6.5	10.8	5.0	10.4	13.4	5.8	7.2	4.9	7.0	7.1
1964	8.8	18.4	20.7	10.3	−16.3	3.6	8.6	12.7	9.0	9.4
1965	10.9	8.2	5.2	9.7	6.3	5.1	9.4	13.1	9.0	10.1
1966	13.0	6.3	2.7	9.5	40.4	5.7	12.3	10.2	10.0	11.7
1967	10.8	1.6	2.8	14.1	−36.5	5.8	7.4	10.2	6.3	7.4
1968	8.7	13.5	−4.5	11.1	6.6	9.7	9.8	9.2	6.7	9.3
1969	11.8	7.1	2.3	17.5	8.6	8.6	10.8	11.0	8.6	10.0
1970	8.4	−7.2	11.5	11.2	−15.6	4.6	6.1	5.4	8.7	7.4
1971	10.1	12.8	13.3	13.9	30.1	9.3	10.2	8.7	7.1	10.2
1972	11.7	24.4	−4.5	17.2	5.5	4.1	12.6	13.0	9.3	11.4
1973	15.9	42.8	23.9	17.1	81.1	7.9	18.8	12.4	16.4	17.4
1974	19.8	30.1	28.8	42.4	28.3	3.7	20.3	17.1	20.2	19.4
1975	16.4	−2.0	11.6	13.5	2.2	11.1	14.0	−3.7	13.9	12.1
1976	16.8	1.7	−6.4	25.2	−15.9	−3.4	14.3	22.4	17.6	16.0
1977	10.4	4.7	21.9	19.5	−14.7	7.9	8.5	11.1	11.9	9.6
1978	9.2	22.8	35.7	23.4	29.2	12.1	11.7	6.9	11.6	10.5
1979	12.4	32.2	6.7	20.0	7.0	8.7	14.7	8.5	15.4	13.8
1980	13.2	9.6	5.4	15.0	2.3	11.2	13.2	4.3	14.0	12.2
1981	15.4	−11.4	16.7	22.9	5.7	13.5	12.1	31.1	15.0	14.3
1982	7.5	−36.1	−10.2	6.7	−1.4	16.5	3.8	7.6	9.2	5.2
1983	5.6	52.8	−13.7	5.2	−6.2	14.2	10.4	4.0	6.1	9.0

[1] Includes military pay and allowances. Unadjusted: D 40000 + 40001; seasonally adjusted: D 40240 + 40241.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 10

Reconciliation of Gross National Product at Market Prices and Gross Domestic Product at Factor Cost
1953 – 1983

Year	Gross national product at market prices	Residual error of estimate	Indirect taxes less subsidies	Investment income from non-residents	Investment income paid to non-residents	Gross domestic product at factor cost
D	40551	40431	40432	40433	40434	40435
			(Millions of dollars)			
1953	25,833	–80	–2,994	–194	495	23,060
1954	25,918	52	–3,042	–181	520	23,267
1955	28,528	38	–3,321	–201	586	25,630
1956	32,058	–130	–3,731	–196	657	28,658
1957	33,513	–23	–3,975	–208	771	30,078
1958	34,777	–170	–4,036	–238	763	31,096
1959	36,846	–227	–4,401	–251	860	32,827
1960	38,359	–196	–4,587	–254	870	34,192
1961	39,646	–142	–4,838	–300	1,022	35,388
1962	42,927	125	–5,446	–297	1,068	38,377
1963	45,978	39	–5,714	–314	1,161	41,150
1964	50,280	–51	–6,441	–443	1,351	44,696
1965	55,364	–206	–7,284	–465	1,485	48,894
1966	61,828	–182	–8,030	–486	1,634	54,764
1967	66,409	–33	–8,852	–464	1,733	58,793
1968	72,586	–10	–9,662	–590	1,841	64,165
1969	79,815	443	–10,722	–857	2,099	70,778
1970	85,685	–345	–11,299	–1,011	2,397	75,427
1971	94,450	–891	–12,276	–953	2,537	82,867
1972	105,234	–190	–13,876	–977	2,528	92,719
1973	123,560	44	–15,596	–1,188	3,012	109,830
1974	147,528	629	–18,257	–1,386	3,741	132,255
1975	165,343	300	–17,584	–1,671	4,338	150,726
1976	191,857	–507	–21,520	–1,619	5,301	173,512
1977	210,189	–1,265	–23,907	–1,713	6,465	189,769
1978	232,211	1	–25,563	–2,253	8,410	212,806
1979	264,279	612	–27,728	–2,484	9,923	244,602
1980	296,555	1,142	–28,909	–3,495	11,641	276,934
1981	339,055	1,111	–37,896	–3,819	15,409	313,860
1982	356,600	93	–40,780	–5,036	18,152	329,029
1983	388,686	515	–42,422	–4,926	17,623	359,476

Reference Table 10 (continued)

Reconciliation of Gross National Product at Market Prices and Gross Domestic Product at Factor Cost

1953 – 1983

Year	Gross national product at market prices	Indirect taxes less subsidies	Investment income received from non-residents	Investment income paid to non-residents	Gross domestic product at factor cost
			(Per cent change)		
1953	5.1	7.0	6.0	−2.4	4.2
1954	0.3	1.6	−6.7	5.1	0.9
1955	10.1	9.2	11.1	12.7	10.2
1956	12.4	12.4	−2.5	12.1	11.8
1957	4.5	6.5	6.1	17.4	5.0
1958	3.8	1.5	14.4	−1.0	3.4
1959	5.9	9.0	5.5	12.7	5.6
1960	4.1	4.2	1.2	1.2	4.2
1961	3.4	5.5	18.1	17.5	3.5
1962	8.3	12.6	−1.0	4.5	8.5
1963	7.1	4.9	5.7	8.7	7.2
1964	9.4	12.7	41.1	16.4	8.6
1965	10.1	13.1	5.0	9.9	9.4
1966	11.7	10.2	4.5	10.0	12.0
1967	7.4	10.2	−4.5	6.1	7.4
1968	9.3	9.2	27.2	6.2	9.1
1969	10.0	11.0	45.3	14.0	10.3
1970	7.4	5.4	18.0	14.2	6.6
1971	10.2	8.7	−5.7	5.8	9.9
1972	11.4	13.0	2.5	−0.4	11.9
1973	17.4	12.4	21.6	19.2	18.5
1974	19.4	17.1	16.7	24.2	20.4
1975	12.1	−3.7	20.6	16.0	14.0
1976	16.0	22.4	−3.1	22.2	15.1
1977	9.6	11.1	5.8	22.0	9.4
1978	10.5	6.9	31.5	30.1	12.1
1979	13.8	8.5	10.3	18.0	15.0
1980	12.2	4.3	40.7	17.3	13.2
1981	14.3	31.1	9.3	32.4	13.3
1982	5.2	7.6	31.9	17.8	4.8
1983	9.0	4.0	−2.2	−2.9	9.3

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 11

Structural Changes in Income
(Per Cent Distribution of Gross National Product by Components)
1947 – 1983

Year	Wages, salaries and supplementary labour income(1)	Corporation profits before taxes	Dividends paid to non-residents	Interest and miscellaneous investment income	Accrued net income of farm operators from farm production	Net income of non-farm unincorporated business including rents	Inventory valuation adjustment	Net national income at factor cost	Indirect taxes less subsidies	Capital consumption allowances and miscellaneous valuation adjustments	Residual error of estimate	Gross national product at market prices
1947......	50.1	13.8	−1.9	1.4	8.2	11.2	−4.2	78.5	12.5	9.1	−0.1	100.0
1948......	50.6	13.2	−1.7	1.6	8.8	10.3	−3.3	79.5	11.8	9.3	−0.7	100.0
1949......	50.5	12.0	−1.9	1.7	7.2	10.8	−0.7	79.3	11.2	9.8	−0.3	100.0
1950......	49.5	14.1	−2.2	2.1	7.0	10.2	−2.0	78.7	11.2	10.2	0.0	100.0
1951......	49.8	14.5	−1.8	2.1	8.6	9.1	−3.0	79.5	11.8	9.7	−1.0	100.0
1952......	49.1	12.5	−1.4	2.1	7.6	8.8	0.5	79.2	11.4	9.5	−0.1	100.0
1953......	50.6	11.6	−1.3	2.3	5.7	9.1	0.0	77.9	11.6	10.2	0.3	100.0
1954......	51.9	10.6	−1.3	2.4	3.5	9.6	0.3	77.2	11.7	11.3	−0.2	100.0
1955......	50.4	12.2	−1.4	2.7	3.9	9.6	−0.6	76.8	11.6	11.7	−0.1	100.0
1956......	50.4	12.3	−1.4	2.7	4.0	8.8	−0.8	76.1	11.6	11.9	0.4	100.0
1957......	52.3	10.6	−1.5	2.9	2.7	8.8	−0.2	75.7	11.9	12.4	0.1	100.0
1958......	51.7	10.6	−1.4	3.1	3.2	9.0	−0.1	76.0	11.6	11.9	0.5	100.0
1959......	52.0	10.8	−1.4	2.9	2.7	8.7	−0.3	75.3	11.9	12.1	0.6	100.0
1960......	52.5	10.1	−1.3	2.9	2.7	8.3	−0.1	75.2	12.0	12.4	0.5	100.0
1961......	53.0	10.3	−1.6	3.2	2.1	8.2	−0.1	75.1	12.2	12.3	0.4	100.0
1962......	52.3	10.4	−1.5	3.3	3.2	7.9	−0.2	75.4	12.7	12.2	−0.3	100.0
1963......	52.1	10.7	−1.4	3.4	3.4	7.8	−0.5	75.5	12.4	12.2	−0.1	100.0
1964......	51.8	11.6	−1.6	3.4	2.6	7.4	−0.3	74.9	12.8	12.2	0.1	100.0
1965......	52.2	11.4	−1.5	3.4	2.5	7.0	−0.6	74.5	13.2	12.0	0.4	100.0
1966......	52.8	10.9	−1.4	3.4	3.2	6.7	−0.5	74.9	13.0	11.8	0.3	100.0
1967......	54.5	10.3	−1.3	3.6	1.9	6.6	−0.5	74.9	13.3	11.7	0.1	100.0
1968......	54.2	10.7	−1.2	3.6	1.8	6.6	−0.5	75.2	13.3	11.5	0.0	100.0
1969......	55.1	10.4	−1.1	3.9	1.8	6.5	−0.7	75.8	13.4	11.3	−0.6	100.0
1970......	55.6	9.0	−1.1	4.0	1.4	6.3	−0.2	75.0	13.2	11.4	0.4	100.0
1971......	55.5	9.2	−1.1	4.1	1.7	6.3	−0.7	74.9	13.0	11.1	0.9	100.0
1972......	55.6	10.3	−1.0	4.4	1.6	5.9	−1.0	75.7	13.2	10.9	0.2	100.0
1973......	54.9	12.5	−1.0	4.3	2.4	5.4	−1.9	76.6	12.6	10.8	0.0	100.0
1974......	55.1	13.6	−1.1	5.2	2.6	4.7	−2.9	77.2	12.4	10.9	−0.4	100.0
1975......	57.2	11.9	−1.1	5.2	2.4	4.6	−1.8	78.5	10.6	11.1	−0.2	100.0
1976......	57.6	10.4	−0.9	5.7	1.7	3.9	−1.0	77.3	11.2	11.2	0.3	100.0
1977......	58.1	10.0	−1.0	6.2	1.4	3.8	−1.8	76.6	11.4	11.4	0.6	100.0
1978......	57.4	11.1	−1.2	6.9	1.6	3.9	−2.1	77.4	11.0	11.6	0.1	100.0
1979......	56.7	12.9	−1.2	7.3	1.5	3.7	−2.8	78.0	10.5	11.7	−0.2	100.0
1980......	57.2	12.6	−1.1	7.4	1.4	3.7	−2.4	78.7	9.8	11.9	−0.4	100.0
1981......	57.7	9.7	−1.1	8.0	1.3	3.6	−2.1	77.2	11.2	12.0	−0.3	100.0
1982......	59.0	5.9	−0.9	8.1	1.2	4.0	−1.1	76.2	11.5	12.4	−0.0	100.0
1983......	57.2	8.3	−0.7	7.8	1.0	4.2	−0.6	77.1	10.9	12.1	−0.1	100.0

(1) See note 1 on reference table 9.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 12

Structural Changes in Income

(Per Cent Distribution of Net National Income by Components)

1947 – 1983

Year	Wages, salaries and supplementary labour income[1]	Corporation profits before taxes	Dividends paid to non-residents	Interest and miscellaneous investment income	Accrued net income of farm operators from farm production	Net income of non-farm unincorporated business including rents	Inventory valuation adjustment	Net national income at factor cost
1947	63.8	17.5	−2.4	1.8	10.4	14.2	−5.4	100.0
1948	63.6	16.6	−2.1	2.0	11.0	13.0	−4.1	100.0
1949	63.6	15.1	−2.4	2.2	9.1	13.3	−0.8	100.0
1950	62.9	17.9	−2.8	2.7	8.9	12.9	−2.6	100.0
1951	62.6	18.3	−2.2	2.7	10.9	11.5	−3.7	100.0
1952	62.0	15.8	−1.8	2.7	9.7	11.1	0.6	100.0
1953	64.9	14.8	−1.6	2.9	7.3	11.7	0.0	100.0
1954	67.3	13.8	−1.7	3.1	4.6	12.5	0.4	100.0
1955	65.6	15.9	−1.8	3.5	5.1	12.5	−0.8	100.0
1956	66.3	16.1	−1.9	3.6	5.3	11.6	−1.0	100.0
1957	69.1	14.0	−2.0	3.9	3.6	11.7	−0.2	100.0
1958	68.0	13.9	−1.8	4.0	4.2	11.9	−0.2	100.0
1959	69.0	14.3	−1.9	3.8	3.6	11.6	−0.4	100.0
1960	69.8	13.4	−1.7	3.9	3.6	11.1	−0.1	100.0
1961	70.5	13.7	−2.1	4.3	2.8	11.0	−0.1	100.0
1962	69.4	13.8	−1.9	4.4	4.3	10.4	−0.3	100.0
1963	69.0	14.2	−1.9	4.5	4.5	10.3	−0.6	100.0
1964	69.1	15.5	−2.1	4.6	3.5	9.8	−0.4	100.0
1965	70.1	15.3	−2.0	4.6	3.4	9.4	−0.8	100.0
1966	70.5	14.5	−1.8	4.5	4.2	8.9	−0.7	100.0
1967	72.7	13.7	−1.8	4.8	2.5	8.8	−0.7	100.0
1968	72.0	14.2	−1.5	4.8	2.4	8.8	−0.6	100.0
1969	72.6	13.7	−1.4	5.1	2.4	8.6	−1.0	100.0
1970	74.1	12.0	−1.5	5.3	1.9	8.4	−0.3	100.0
1971	74.1	12.3	−1.5	5.5	2.2	8.4	−0.9	100.0
1972	73.5	13.6	−1.3	5.7	2.1	7.7	−1.3	100.0
1973	71.7	16.3	−1.3	5.7	3.2	7.0	−2.5	100.0
1974	71.4	17.6	−1.4	6.7	3.4	6.1	−3.7	100.0
1975	72.9	15.2	−1.4	6.7	3.0	5.9	−2.3	100.0
1976	74.5	13.5	−1.2	7.3	2.2	5.0	−1.4	100.0
1977	75.8	13.0	−1.3	8.1	1.8	5.0	−2.3	100.0
1978	74.1	14.3	−1.6	8.9	2.0	5.0	−2.7	100.0
1979	72.6	16.5	−1.5	9.3	1.9	4.7	−3.6	100.0
1980	72.6	16.0	−1.4	9.5	1.7	4.6	−3.0	100.0
1981	74.8	12.6	−1.4	10.4	1.6	4.7	−2.7	100.0
1982	77.5	7.8	−1.2	10.7	1.5	5.3	−1.4	100.0
1983	74.1	10.8	−1.0	10.2	1.3	5.5	−0.8	100.0

[1] See note 1 on reference table 9.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 13

Indexes of Real Income
1947 – 1983
(1971 = 100)

Year	Real net national income			Real personal income			Real personal disposable income			Real wages and salaries and supplementary income and military pay		Real average weekly wages and salaries(1)
	Per capita	Per household	Per employee	Per capita	Per household	Per employee	Per capita	Per household	Per employee	Per paid employee	Per employee(1)	
1947	50.9	56.0	49.1	50.2	55.3	48.4	56.6	62.3	54.6	54.7	—	—
1948	51.1	54.0	50.0	49.9	52.7	48.7	56.6	59.8	55.3	54.4	—	—
1949	50.8	53.7	51.7	48.8	51.5	49.6	55.8	58.9	56.7	55.5	—	—
1950	52.8	59.6	54.1	49.5	55.8	50.6	56.9	64.3	58.3	56.8	—	—
1951	55.4	61.8	56.6	51.7	57.6	52.8	58.7	65.4	60.0	57.4	—	—
1952	59.5	67.6	61.8	54.3	61.7	56.4	61.0	69.4	63.4	60.6	—	—
1953	60.0	67.3	63.2	55.7	62.5	58.6	62.4	70.0	65.7	64.2	—	—
1954	57.4	64.6	62.1	54.0	60.8	58.5	60.5	68.2	65.5	65.4	—	—
1955	61.2	68.2	66.5	56.7	63.3	61.6	63.7	71.1	69.3	66.9	—	—
1956	65.4	72.8	69.9	60.3	67.1	64.4	67.5	75.1	72.1	69.7	—	—
1957	63.9	72.0	68.7	60.6	68.3	65.2	67.6	76.2	72.7	70.9	—	—
1958	63.1	71.0	70.1	60.8	68.4	67.5	68.5	77.1	76.1	70.5	—	—
1959	64.0	71.5	70.7	61.9	69.1	68.4	69.2	77.4	76.5	71.5	—	—
1960	64.4	71.9	71.7	63.2	70.5	70.3	70.1	78.2	78.0	72.9	—	—
1961	64.8	72.1	72.4	62.5	69.6	69.9	69.1	76.9	77.2	74.5	74.5	74.0
1962	68.2	75.4	75.5	66.0	72.9	73.1	73.0	80.7	80.9	75.9	75.4	75.2
1963	70.7	77.6	77.9	67.8	74.4	74.7	75.0	82.3	82.6	77.3	76.4	76.6
1964	74.4	81.0	80.5	70.3	76.6	76.1	77.0	83.9	83.4	79.6	78.2	78.5
1965	78.4	84.7	83.2	74.6	80.6	79.2	81.4	88.0	86.5	82.2	80.9	81.0
1966	83.6	89.8	86.8	79.5	85.4	82.6	85.1	91.4	88.4	84.9	84.0	83.0
1967	85.3	90.3	87.7	82.9	87.8	85.2	87.3	92.5	89.8	88.0	87.4	85.7
1968	88.5	92.4	90.7	86.2	90.0	88.3	89.6	93.5	91.8	89.2	89.3	87.9
1969	93.1	95.7	93.8	90.8	93.4	91.5	92.5	95.1	93.1	92.7	92.3	90.7
1970	94.1	95.3	95.1	93.2	94.4	94.2	93.4	94.6	94.4	95.3	95.1	94.3
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	107.2	105.2	105.2	107.6	105.6	105.6	108.1	106.1	106.1	103.5	103.3	104.3
1973	117.3	112.8	110.8	115.6	111.4	109.5	116.6	112.2	110.2	105.6	105.7	104.5
1974	124.9	118.0	115.0	122.5	115.7	112.8	122.5	115.7	112.8	109.0	108.3	104.2
1975	126.9	117.9	116.6	127.3	118.2	116.9	128.2	119.1	117.7	112.7	112.6	107.6
1976	132.4	120.5	120.7	132.3	120.2	120.4	132.0	120.2	120.4	119.3	119.5	111.6
1977	131.4	117.5	119.0	133.7	119.6	121.1	133.3	119.2	120.7	120.0	118.9	113.2
1978	134.9	118.6	119.3	137.2	120.7	121.4	138.2	121.6	122.3	118.1	118.2	111.6
1979	140.2	120.9	120.3	139.9	120.7	120.1	141.2	121.9	121.2	116.6	117.4	111.0
1980	141.6	120.2	119.4	141.5	120.2	119.4	142.7	121.2	120.4	115.1	117.5	110.3
1981	140.4	117.1	116.7	147.4	122.9	122.4	147.3	122.9	122.3	115.7	117.4	110.6
1982	130.0	106.7	113.1	144.6	118.7	125.8	144.3	118.5	125.5	116.4	117.7	109.9
1983	134.1	108.5	116.8	143.0	115.8	124.6	141.7	114.7	123.5	115.5	—	—

Reference Table 13 (continued)

Indexes of Real Income
1947 – 1983

Year	Real net national income			Real personal income			Real personal disposable income			Real wages and salaries and supplementary income and military pay		Real average weekly
	Per capita	Per household	Per employee	Per capita	Per household	Per employee	Per capita	Per household	Per employee	Per paid employee	Per employee(1)	wages and salaries(1)
						(Per cent change)						
1948	0.5	−3.6	1.8	−0.6	−4.7	0.6	0.0	−4.0	1.3	−0.5	—	—
1949	−0.6	−0.7	3.4	−2.1	−2.2	1.9	−1.4	−1.5	2.6	2.0	—	—
1950	3.9	11.1	4.6	1.3	8.3	2.0	2.1	9.1	2.8	2.3	—	—
1951	4.9	3.6	4.6	4.5	3.2	4.2	3.1	1.8	2.9	1.0	—	—
1952	7.3	9.4	9.2	4.9	7.0	6.8	3.9	6.0	5.8	5.6	—	—
1953	0.9	−0.4	2.3	2.6	1.3	4.0	2.2	0.9	3.6	6.0	—	—
1954	−4.4	−4.0	−1.7	−3.0	−2.6	−0.3	−3.0	−2.5	−0.3	1.8	—	—
1955	6.6	5.6	7.0	5.0	4.0	5.4	5.3	4.3	5.7	2.3	—	—
1956	6.9	6.7	5.1	6.3	6.1	4.5	5.8	5.6	4.1	4.3	—	—
1957	−2.3	−1.0	−1.7	0.5	1.8	1.2	0.2	1.4	0.8	1.6	—	—
1958	−1.3	−1.4	2.0	0.3	0.2	3.6	1.4	1.2	4.7	−0.5	—	—
1959	1.4	0.6	0.9	1.8	1.1	1.3	1.0	0.3	0.5	1.4	—	—
1960	0.7	0.6	1.3	2.1	2.0	2.7	1.3	1.1	1.8	1.9	—	—
1961	0.5	0.2	1.1	−1.0	−1.3	−0.5	−1.4	−1.7	−0.9	2.2	—	—
1962	5.3	4.6	4.3	5.5	4.8	4.5	5.6	4.9	4.7	1.9	1.1	1.6
1963	3.7	3.0	3.1	2.8	2.1	2.2	2.8	2.1	2.2	1.9	1.4	1.9
1964	5.2	4.3	3.4	3.7	2.9	1.9	2.7	1.9	0.9	2.9	2.4	2.5
1965	5.4	4.6	3.3	6.1	5.3	4.1	5.7	4.9	3.7	3.3	3.4	3.2
1966	6.7	6.0	4.3	6.6	6.0	4.2	4.5	3.9	2.2	3.3	3.9	2.4
1967	2.0	0.6	1.0	4.2	2.7	3.1	2.6	1.2	1.6	3.6	4.0	3.2
1968	3.8	2.2	3.4	4.0	2.5	3.7	2.6	1.1	2.3	1.4	2.1	2.7
1969	5.1	3.7	3.4	5.3	3.8	3.6	3.2	1.7	1.5	3.9	3.4	3.2
1970	1.1	−0.4	1.4	2.7	1.1	3.0	1.0	−0.5	1.3	2.8	3.0	3.9
1971	6.3	4.9	5.2	7.2	5.9	6.1	7.0	5.7	5.9	4.9	5.1	6.0
1972	7.2	5.2	5.2	7.6	5.6	5.6	8.1	6.1	6.1	3.5	3.3	4.3
1973	9.4	7.3	5.4	7.6	5.5	3.6	7.9	5.8	3.9	2.0	2.3	0.2
1974	6.5	4.5	3.7	5.8	3.8	3.0	5.0	3.1	2.3	3.3	2.5	−0.3
1975	1.6	−0.0	1.4	3.9	2.2	3.7	4.7	2.9	4.4	3.4	3.9	3.3
1976	4.3	2.2	3.5	3.9	1.8	3.1	3.0	0.9	2.2	5.8	6.2	3.6
1977	−0.8	−2.5	−1.4	1.1	−0.7	0.5	0.9	−0.8	0.3	0.6	−0.5	1.4
1978	2.7	0.9	0.3	2.6	0.9	0.2	3.7	2.0	1.3	−1.6	−0.6	−1.4
1979	3.9	2.0	0.8	1.9	0.0	−1.1	2.2	0.3	−0.9	−1.2	−0.7	−0.6
1980	1.0	−0.6	−0.8	1.2	−0.4	−0.6	1.0	−0.5	−0.7	−1.3	0.1	−0.6
1981	−0.8	−2.6	−2.3	4.1	2.3	2.6	3.2	1.4	1.6	0.5	−0.1	0.3
1982	−7.4	−8.9	−3.1	−1.8	−3.4	2.7	−2.0	−3.6	2.5	0.5	0.2	−0.7
1983	3.1	1.7	3.3	−1.1	−2.5	−0.9	−1.8	−3.2	−1.6	−0.8	—	—

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(1) A revised monthly survey of Employment, Payrolls and Hours became effective with the April 1983 reference month. Due to this break in surveys, a 1983 annual average cannot be calculated.

Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001; *Estimates of Employees by Province and Industry*, monthly, cat. 72-008; *National Income and Expenditure Accounts*, cat. 13-533; *Employment, Earnings and Hours*, monthly, cat. 72-002; and *Census of Canada*, annual, cat. 91-001. Real incomes are computed by dividing the various nominal income measures by the national accounts implicit price index for consumer expenditure. The household data from 1961 to the present, are from Statistics Canada, *Household Equipment*, cat. 64-202, while data prior to 1961 were derived by interpolating the census benchmarks.

Reference Table 14

Personal Income and Expenditure

1947 – 1983

Year	Personal income	Personal disposable income	Personal expenditure	Personal saving	Ratio of personal savings to personal disposable income	Personal disposable income per capita	Personal expenditure per capita
D	40042 40552	40057 40295	40014 40254	40054 40413			
		(Millions of dollars)			(Per cent)	(Dollars)	
1947	10,926	9,964	9,362	544	5.5	794	746
1948	12,592	11,559	10,370	1,138	9.8	901	809
1949	13,396	12,383	11,365	965	7.8	921	845
1950	14,262	13,265	12,482	738	5.6	969	910
1951	16,791	15,435	13,857	1,496	9.7	1,102	989
1952	18,592	16,922	15,162	1,665	9.8	1,170	1,049
1953	19,550	17,718	16,181	1,423	8.0	1,194	1,090
1954	19,717	17,868	16,934	804	4.5	1,169	1,108
1955	21,265	19,331	18,388	797	4.1	1,231	1,171
1956	23,531	21,307	20,090	1,051	4.9	1,325	1,249
1957	25,170	22,714	21,492	1,047	4.6	1,367	1,294
1958	26,651	24,313	22,845	1,278	5.3	1,423	1,338
1959	28,108	25,440	24,390	844	3.3	1,455	1,395
1960	29,595	26,567	25,479	867	3.3	1,487	1,426
1961	30,104	26,904	25,930	745	2.8	1,475	1,422
1962	32,788	29,340	27,452	1,647	5.6	1,579	1,477
1963	34,829	31,168	29,225	1,691	5.4	1,646	1,544
1964	37,282	33,049	31,389	1,383	4.2	1,713	1,627
1965	41,071	36,263	33,947	2,001	5.5	1,846	1,728
1966	46,094	39,901	36,890	2,662	6.7	1,994	1,843
1967	50,579	43,123	39,972	2,736	6.3	2,116	1,962
1968	55,677	46,820	43,704	2,639	5.6	2,262	2,111
1969	61,804	50,911	47,492	2,730	5.4	2,424	2,261
1970	66,633	54,009	50,327	2,872	5.3	2,536	2,363
1971	74,092	59,943	55,616	3,509	5.9	2,779	2,579
1972	83,767	68,100	62,206	5,015	7.4	3,124	2,853
1973	97,832	79,719	71,278	7,230	9.1	3,617	3,234
1974	116,867	94,545	83,368	9,406	9.9	4,228	3,729
1975	136,205	110,996	96,995	12,139	10.9	4,890	4,273
1976	155,142	125,309	111,657	11,588	9.2	5,450	4,856
1977	171,516	138,307	123,565	12,545	9.1	5,943	5,309
1978	191,498	156,070	136,532	16,886	10.8	6,636	5,806
1979	215,367	175,956	150,088	19,957	11.3	7,410	6,404
1980	244,342	199,378	170,236	24,088	12.1	8,293	7,081
1981	287,476	232,439	193,477	32,116	13.8	9,549	7,948
1982	316,284	255,296	209,801	38,521	15.1	10,364	8,517
1983	334,729	268,352	229,034	34,558	12.9	10,782	9,202

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 15

Personal Income, Canada and by Province 1955 – 1982

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
D	30303	30304	30305	30306	30307	30308	30309	30310	30311	30312	30313	30315
(Millions of dollars)												
1955	292	67	683	489	5,296	8,525	1,073	1,058	1,475	2,242	43	21,265
1956	325	85	732	534	5,840	9,320	1,206	1,205	1,719	2,482	59	23,531
1957	350	77	785	556	6,363	10,211	1,223	1,037	1,749	2,728	59	25,170
1958	361	83	820	585	6,655	10,802	1,352	1,156	1,958	2,786	59	26,651
1959	383	96	874	626	7,005	11,406	1,419	1,200	2,039	2,948	61	28,106
1960	412	97	920	664	7,422	11,923	1,492	1,352	2,134	3,058	63	29,595
1961	440	102	946	671	7,828	12,187	1,436	1,084	2,199	3,091	59	30,104
1962	462	114	995	707	8,446	13,098	1,611	1,529	2,411	3,279	62	32,788
1963	493	116	1,043	751	8,933	13,976	1,647	1,686	2,535	3,509	67	34,829
1964	531	128	1,108	809	9,742	15,030	1,775	1,539	2,652	3,822	70	37,282
1965	604	137	1,181	880	10,685	16,537	1,892	1,789	2,941	4,271	69	41,071
1966	680	151	1,302	979	11,880	18,655	2,039	2,047	3,374	4,817	80	46,094
1967	755	168	1,446	1,067	13,175	20,553	2,280	1,932	3,665	5,348	90	50,579
1968	837	189	1,580	1,183	14,193	22,844	2,523	2,187	4,111	5,837	104	55,677
1969	923	205	1,766	1,295	15,585	25,629	2,704	2,269	4,589	6,645	122	61,804
1970	1,025	229	1,895	1,412	16,682	27,974	2,857	2,133	4,953	7,245	148	66,633
1971	1,143	243	2,100	1,576	18,369	30,966	3,192	2,555	5,534	8,182	158	74,092
1972	1,301	287	2,436	1,810	20,823	34,822	3,564	2,767	6,267	9,417	193	83,767
1973	1,526	355	2,850	2,105	24,067	39,884	4,244	3,673	7,471	11,331	235	97,832
1974	1,903	400	3,375	2,539	28,980	47,060	4,985	4,519	9,019	13,687	293	116,867
1975	2,259	493	3,894	3,080	33,801	53,902	5,865	5,660	10,991	15,787	346	136,205
1976	2,570	540	4,387	3,439	39,318	61,074	6,414	6,136	12,628	18,098	403	155,142
1977	2,837	592	4,888	3,773	43,382	67,417	6,999	6,311	14,428	20,280	464	171,516
1978	3,060	700	5,497	4,199	48,204	74,835	7,753	7,061	16,708	22,806	520	191,498
1979	3,424	765	6,135	4,716	53,726	83,480	8,450	7,934	20,014	25,974	590	215,367
1980	3,759	883	6,775	5,131	61,113	93,730	9,240	8,935	23,772	30,145	691	244,342
1981	4,362	975	7,690	5,794	71,209	129,373	11,285	11,397	29,143	35,218	845	287,476
1982	4,882	1,094	8,597	6,451	77,929	120,648	12,407	12,112	32,495	38,534	924	316,284
(Per cent change)												
1955	7.4	−2.9	2.9	4.5	5.3	7.5	7.1	28.4	9.6	9.4	10.3	7.9
1956	11.3	26.9	7.2	9.2	10.3	9.3	12.4	13.9	16.5	10.7	37.2	10.7
1957	7.7	−9.4	7.2	4.1	9.0	9.6	1.4	−13.9	1.7	9.9	0.0	7.0
1958	3.1	7.8	4.5	5.2	4.6	5.8	10.5	11.5	11.9	2.5	0.0	5.9
1959	6.1	15.7	6.6	7.0	5.3	5.6	5.0	3.8	4.1	5.8	3.4	5.5
1960	7.6	1.0	5.3	6.1	6.0	4.5	5.1	12.7	4.7	3.7	3.3	5.3
1961	6.8	5.2	2.8	1.1	5.5	2.2	−3.8	−19.8	3.0	1.1	−6.3	1.7
1962	5.0	11.8	5.2	5.4	7.9	7.5	12.2	41.1	9.6	6.1	5.1	8.9
1963	6.7	1.8	4.8	6.2	5.8	6.7	2.2	10.3	5.1	7.0	8.1	6.2
1964	7.7	10.3	6.2	7.7	9.1	7.5	7.8	−8.7	4.6	8.9	4.5	7.0
1965	13.7	7.0	6.6	8.8	9.7	10.0	6.6	16.2	10.9	11.7	−1.4	10.2
1966	12.6	10.2	10.2	11.2	11.2	12.8	7.8	14.4	14.7	12.8	15.9	12.2
1967	11.0	11.3	11.1	9.0	10.9	10.2	11.8	−5.6	8.6	11.0	12.5	9.7
1968	10.9	12.5	9.3	10.9	7.7	11.1	10.7	13.2	12.2	9.1	15.6	10.1
1969	10.3	8.5	11.8	9.5	9.7	12.2	7.2	3.7	11.6	13.8	17.3	11.0
1970	11.1	11.7	7.3	9.0	7.2	9.1	5.7	−6.0	7.9	9.0	21.3	7.8
1971	11.5	6.1	10.8	11.6	10.1	10.7	11.7	19.8	11.7	12.9	6.8	11.2
1972	13.8	18.1	16.0	14.8	13.4	12.5	11.7	8.3	13.2	15.1	22.2	13.1
1973	17.3	23.7	17.0	16.3	15.6	14.5	19.1	32.7	19.2	20.3	21.8	16.8
1974	24.7	12.7	18.4	20.6	20.4	18.0	17.5	23.0	20.7	20.8	24.7	19.5
1975	18.7	23.2	15.4	21.3	16.6	14.5	17.7	25.2	21.9	15.3	18.1	16.5
1976	13.8	9.5	12.7	11.7	16.3	13.3	9.4	8.4	14.9	14.6	16.5	13.9
1977	10.4	9.6	11.4	9.7	10.3	10.4	9.1	2.9	14.3	12.1	15.1	10.6
1978	7.9	18.2	12.5	11.3	11.1	11.0	10.8	11.9	15.8	12.5	12.1	11.7
1979	11.9	9.3	11.6	12.3	11.5	11.6	9.0	12.4	19.8	13.9	13.5	12.5
1980	9.8	15.4	10.4	8.8	13.7	12.3	9.3	12.6	18.8	16.1	17.1	13.5
1981	6.0	10.4	13.5	12.9	16.5	16.7	22.1	27.6	22.6	16.8	22.3	17.7
1982	11.9	12.2	11.8	11.3	9.4	10.3	9.9	6.3	11.5	9.4	9.3	10.0

Reference Table 15 (continued)

Personal Income, Canada and by Province
1955 – 1982

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
					(Percentage distribution of total among provinces)							
1955	1.4	0.3	3.2	2.3	24.9	40.1	5.0	5.0	6.9	10.5	0.2	100.0
1956	1.4	0.4	3.1	2.3	24.8	39.6	5.1	5.1	7.3	10.5	0.3	100.0
1957	1.4	0.3	3.1	2.2	25.3	40.6	4.9	4.1	7.0	10.8	0.2	100.0
1958	1.4	0.3	3.1	2.2	25.0	40.5	5.1	4.3	7.3	10.5	0.2	100.0
1959	1.4	0.3	3.1	2.2	24.9	40.6	5.0	4.3	7.3	10.5	0.2	100.0
1960	1.4	0.3	3.1	2.2	25.1	40.3	5.0	4.6	7.2	10.3	0.2	100.0
1961	1.5	0.3	3.1	2.2	26.0	40.5	4.8	3.6	7.3	10.3	0.2	100.0
1962	1.4	0.3	3.0	2.2	25.8	39.9	4.9	4.7	7.4	10.0	0.2	100.0
1963	1.4	0.3	3.0	2.2	25.6	40.1	4.7	4.8	7.3	10.1	0.2	100.0
1964	1.4	0.3	3.0	2.2	26.1	40.3	4.8	4.1	7.1	10.3	0.2	100.0
1965	1.5	0.3	2.9	2.1	26.0	40.3	4.6	4.4	7.2	10.4	0.2	100.0
1966	1.5	0.3	2.8	2.1	25.8	40.5	4.4	4.4	7.3	10.5	0.2	100.0
1967	1.5	0.3	2.9	2.1	26.0	40.6	4.5	3.8	7.2	10.6	0.2	100.0
1968	1.5	0.3	2.8	2.1	25.5	41.0	4.5	3.9	7.4	10.5	0.2	100.0
1969	1.5	0.3	2.9	2.1	25.2	41.5	4.4	3.7	7.4	10.8	0.2	100.0
1970	1.5	0.3	2.8	2.1	25.0	42.0	4.3	3.2	7.4	10.9	0.2	100.0
1971	1.5	0.3	2.8	2.1	24.8	41.8	4.3	3.4	7.5	11.0	0.2	100.0
1972	1.6	0.3	2.9	2.2	24.9	41.6	4.3	3.3	7.5	11.2	0.2	100.0
1973	1.6	0.4	2.9	2.2	24.6	40.8	4.3	3.8	7.6	11.6	0.2	100.0
1974	1.6	0.3	2.9	2.2	24.8	40.3	4.3	3.9	7.7	11.7	0.3	100.0
1975	1.7	0.4	2.9	2.3	24.8	39.6	4.3	4.2	8.1	11.6	0.3	100.0
1976	1.7	0.3	2.8	2.2	25.3	39.4	4.1	4.0	8.1	11.7	0.3	100.0
1977	1.7	0.3	2.8	2.2	25.3	39.3	4.1	3.7	8.4	11.8	0.3	100.0
1978	1.6	0.4	2.9	2.2	25.2	39.1	4.0	3.7	8.7	11.9	0.3	100.0
1979	1.6	0.4	2.8	2.2	24.9	38.8	3.9	3.7	9.3	12.1	0.3	100.0
1980	1.5	0.4	2.8	2.1	25.0	38.4	3.8	3.7	9.7	12.3	0.3	100.0
1981	1.5	0.3	2.7	2.0	24.8	38.0	3.9	4.0	10.1	12.3	0.3	100.0
1982	1.5	0.3	2.7	2.0	24.6	38.1	3.9	3.8	10.3	12.2	0.3	100.0

Note: The Canada figure includes personal income of Canadians temporarily abroad (including pay and allowances of Canadian Armed Forces abroad). The Yukon and the Northwest Territories are included with British Columbia up to 1950.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 16

Personal Income Per Capita, Canada and by Province

1955 – 1982

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
D	30316	30317	30318	30319	30320	30321	30322	30323	30324	30325	30326	30327
						(Dollars)						
1955	719	670	1,000	894	1,172	1,619	1,279	1,205	1,352	1,671	1,483	1,355
1956	783	859	1,053	962	1,262	1,724	1,419	1,368	1,531	1,774	1,903	1,463
1957	825	778	1,120	989	1,334	1,812	1,419	1,178	1,503	1,841	1,903	1,515
1958	836	830	1,157	1,025	1,357	1,856	1,545	1,297	1,624	1,811	1,786	1,560
1959	869	951	1,216	1,076	1,394	1,911	1,593	1,323	1,634	1,881	1,794	1,606
1960	920	942	1,265	1,127	1,443	1,951	1,647	1,478	1,653	1,909	1,750	1,656
1961	961	971	1,284	1,122	1,488	1,954	1,557	1,172	1,651	1,897	1,595	1,651
1962	987	1,065	1,334	1,169	1,573	2,062	1,721	1,644	1,761	1,975	1,550	1,764
1963	1,036	1,074	1,389	1,233	1,630	2,156	1,736	1,807	1,807	2,065	1,634	1,840
1964	1,099	1,174	1,468	1,324	1,745	2,267	1,851	1,634	1,856	2,190	1,667	1,933
1965	1,238	1,257	1,562	1,431	1,880	2,438	1,961	1,883	2,028	2,377	1,683	2,091
1966	1,379	1,385	1,722	1,587	2,055	2,680	2,117	2,143	2,306	2,570	1,860	2,303
1967	1,513	1,541	1,903	1,721	2,247	2,884	2,368	2,019	2,460	2,750	2,045	2,482
1968	1,654	1,718	2,060	1,893	2,394	3,146	2,598	2,278	2,698	2,914	2,311	2,690
1969	1,796	1,847	2,279	2,062	2,601	3,470	2,762	2,368	2,944	3,226	2,596	2,943
1970	1,983	2,082	2,423	2,252	2,774	3,705	2,906	2,267	3,105	3,405	2,960	3,129
1971	2,190	2,189	2,662	2,482	3,047	4,020	3,231	2,759	3,399	3,745	2,981	3,435
1972	2,455	2,540	3,064	2,828	3,440	4,459	3,596	3,027	3,782	4,202	3,386	3,842
1973	2,842	3,114	3,545	3,253	3,959	5,043	4,261	4,059	4,421	4,922	3,917	4,438
1974	3,518	3,478	4,156	3,882	4,733	5,843	4,950	5,021	5,238	5,761	4,883	5,226
1975	4,115	4,214	4,749	4,632	5,470	6,596	5,784	6,240	6,182	6,489	5,492	6,001
1976	4,606	4,576	5,292	5,080	6,306	7,390	6,276	6,662	6,871	7,336	6,297	6,747
1977	5,066	4,975	5,868	5,516	6,904	8,071	6,815	6,750	7,542	8,112	7,138	7,370
1978	5,445	5,785	6,560	6,103	7,649	8,867	7,513	7,486	8,426	8,972	7,879	8,143
1979	6,071	6,270	7,286	6,815	8,475	9,820	8,220	8,343	9,749	10,032	8,939	9,069
1980	6,641	7,179	8,016	7,383	9,570	10,937	9,015	9,317	11,103	11,307	10,313	10,163
1981	7,680	7,927	9,068	8,325	11,061	12,681	10,999	11,774	13,028	12,835	12,246	11,810
1982	8,580	8,894	10,090	9,229	12,021	13,842	11,987	12,372	14,025	13,811	13,014	12,839
						(Per cent change)						
1955	4.4	−1.9	1.4	3.2	2.3	4.4	5.0	27.7	6.2	5.5	2.7	5.0
1956	8.9	28.1	5.3	7.6	7.6	6.5	−0.2	13.5	13.2	6.2	28.4	8.0
1957	5.4	−9.4	6.3	2.8	5.7	5.1	0.0	−13.9	−1.8	3.8	0.0	3.6
1958	1.2	6.7	3.3	3.6	1.7	2.4	8.9	10.1	8.1	−1.6	−6.1	3.0
1959	3.9	14.5	5.1	5.0	2.7	3.0	3.1	2.0	0.6	3.9	0.3	3.0
1960	5.9	−0.9	4.1	4.8	3.5	2.1	3.4	11.7	1.2	1.5	−2.5	3.0
1961	4.5	3.2	1.4	−0.5	3.1	0.2	−5.4	−20.7	−0.1	−0.6	−8.9	−0.3
1962	2.8	9.7	3.9	4.1	5.6	5.5	10.5	40.3	6.7	4.1	−2.8	6.9
1963	4.9	0.8	4.1	5.5	3.6	4.6	0.8	9.9	2.6	4.6	5.4	4.3
1964	6.1	9.3	5.7	7.4	7.0	5.1	6.6	−9.6	2.7	6.0	2.0	5.1
1965	12.6	7.0	6.4	8.1	7.7	7.5	5.9	15.3	9.3	8.5	1.0	8.2
1966	11.4	10.2	10.2	10.9	9.3	10.0	8.0	13.8	13.7	8.1	10.5	10.1
1967	9.7	11.3	10.5	8.5	9.3	7.6	11.8	−5.8	6.7	7.0	9.9	7.8
1968	9.3	11.5	8.3	10.0	6.6	9.1	9.7	12.8	9.7	6.0	13.0	8.4
1969	8.6	7.5	10.6	8.9	8.6	10.3	6.3	4.0	9.1	10.7	12.3	9.4
1970	10.4	12.7	6.3	9.2	6.7	6.8	5.2	−4.3	5.5	5.5	14.0	6.3
1971	10.4	5.2	9.8	10.2	9.8	8.5	11.2	21.7	9.5	10.0	0.7	9.8
1972	12.1	16.0	15.1	14.0	12.9	10.9	11.3	9.7	11.3	12.2	13.6	11.8
1973	15.8	22.6	15.7	15.0	15.1	13.1	18.5	34.1	16.9	17.1	15.7	15.5
1974	23.8	11.7	17.3	19.3	19.5	15.9	16.2	23.7	18.5	17.0	24.7	17.7
1975	17.0	21.2	14.3	19.3	15.6	12.9	16.8	24.3	18.0	12.6	12.5	14.8
1976	11.9	8.6	11.4	9.7	15.3	12.0	8.5	6.8	11.1	13.1	14.7	12.4
1977	10.0	8.7	10.9	8.6	9.5	9.2	8.6	1.3	9.8	10.6	13.4	9.2
1978	7.5	16.3	11.8	10.6	10.8	9.9	10.2	10.9	11.7	10.6	10.4	10.5
1979	11.5	8.4	11.1	11.7	10.8	10.7	9.4	11.4	15.7	11.8	13.5	11.4
1980	9.4	14.5	10.0	8.3	12.9	11.4	9.7	11.7	13.9	12.7	15.4	12.1
1981	15.6	10.4	13.1	12.8	15.6	15.9	22.0	26.4	17.3	13.5	18.7	16.2
1982	11.7	12.2	11.3	10.9	8.7	9.2	9.0	5.1	7.7	7.6	6.3	8.7

Reference Table 16 (continued)

Personal Income Per Capita, Canada and by Province 1955 – 1982

(Personal income per capita, by province, as a percentage of personal income per capita at the national level)

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
1955	53.1	49.5	73.8	66.0	86.6	119.5	94.4	89.0	99.8	123.3	109.5	100.0
1956	53.5	58.7	72.0	65.8	86.2	117.8	97.0	93.5	104.6	121.2	130.1	100.0
1957	54.5	51.3	73.9	65.3	88.0	119.6	93.6	77.8	99.2	121.5	125.6	100.0
1958	53.6	53.2	74.1	65.7	87.0	118.9	99.0	83.1	104.0	116.1	114.6	100.0
1959	54.0	59.1	75.6	66.9	86.7	118.9	99.1	82.3	101.6	117.0	111.6	100.0
1960	55.5	56.9	76.4	68.1	87.2	117.8	99.4	89.2	99.8	115.3	105.7	100.0
1961	58.2	58.9	77.8	68.0	90.2	118.4	94.4	71.0	100.0	115.0	96.6	100.0
1962	55.9	60.4	75.6	66.2	89.1	116.9	97.5	93.2	99.8	112.0	87.8	100.0
1963	56.3	58.4	75.5	67.0	88.6	117.2	94.3	96.2	98.2	112.3	88.8	100.0
1964	56.9	60.8	75.9	68.5	90.3	117.3	95.8	84.5	96.0	113.3	86.2	100.0
1965	59.2	60.1	74.7	68.4	89.9	116.5	93.8	90.1	97.0	113.7	80.5	100.0
1966	59.9	60.2	74.8	68.9	89.2	116.4	91.9	93.1	100.1	111.6	80.8	100.0
1967	61.0	52.1	76.7	69.3	90.5	116.2	95.4	81.3	99.1	110.8	82.4	100.0
1968	61.5	63.9	76.6	70.4	89.0	117.0	96.6	84.7	100.3	108.3	85.9	100.0
1969	61.0	62.8	77.4	70.1	88.4	117.9	93.9	80.5	100.0	109.6	86.2	100.0
1970	63.4	66.5	77.5	72.0	88.7	118.4	92.9	72.4	99.3	108.8	94.6	100.0
1971	63.7	63.7	77.5	72.2	88.7	117.0	94.0	80.3	99.0	109.0	86.8	100.0
1972	63.9	66.1	79.8	73.6	89.5	116.0	93.6	78.8	98.4	109.4	88.1	100.0
1973	64.0	70.2	79.9	73.3	89.2	113.6	96.0	91.4	99.6	110.9	88.2	100.0
1974	67.3	66.6	79.5	74.3	90.6	111.8	94.7	96.1	100.2	110.2	93.4	100.0
1975	68.6	70.2	79.1	77.2	91.2	109.9	96.4	104.0	103.0	108.1	91.5	100.0
1976	68.3	67.8	78.4	75.3	93.5	109.5	93.0	96.7	101.8	108.7	93.3	100.0
1977	68.7	67.5	79.6	74.8	93.7	109.5	92.5	91.6	102.3	110.1	96.9	100.0
1978	66.9	71.0	80.6	74.9	93.9	108.9	92.3	92.0	103.5	110.2	96.8	100.0
1979	66.9	69.1	60.3	75.1	93.5	108.3	90.6	92.0	107.5	110.6	96.6	100.0
1980	65.3	70.6	78.9	72.6	94.2	107.6	88.7	91.7	109.2	111.3	101.5	100.0
1981	65.0	67.1	76.8	70.5	93.7	107.4	93.1	99.7	110.3	108.7	103.7	100.0
1982	66.8	69.3	78.6	71.9	93.6	107.8	93.4	96.4	109.2	107.6	101.4	100.0

Note: Personal income per capita is obtained by dividing Personal Income by Population as of June. Per cent changes are calculated from unrounded data.
Source: Statistics Canada, *Estimates of Population for Canada and Provinces at June 1; National Income and Expenditure Accounts.*

Reference Table 17

Value of Retail Trade, Canada and by Region 1950 – 1983[1]

Year	Motor vehicle dealers	All other types of business	Total all stores: Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia[2]
			(Millions of dollars)					
1950	1,505	8,112	9,617	822	2,183	3,715	1,914	982
1951	1,884	8,809	10,693	899	2,443	4,130	2,122	1,100
1952	2,105	9,462	11,567	971	2,658	4,409	2,340	1,190
1953	2,303	9,886	12,189	1,004	2,793	4,666	2,485	1,241
1954	2,055	10,262	12,317	1,024	2,866	4,762	2,391	1,274
1955	2,415	11,058	13,473	1,125	3,109	5,296	2,496	1,447
1956	2,598	12,176	14,774	1,209	3,463	5,734	2,728	1,640
1957	2,547	12,876	15,423	1,233	3,710	5,943	2,855	1,683
1958	2,485	13,654	16,139	1,287	3,854	6,271	3,021	1,705
1959	2,701	14,386	17,087	1,356	4,114	6,615	3,206	1,793
1960	2,650	14,741	17,391	1,421	4,213	6,751	3,250	1,755
1961	2,599	15,154	17,752	1,456	4,490	6,808	3,238	1,760
1961	2,599	13,474	16,073	1,381	4,108	6,207	2,774	1,604
1962	2,957	14,180	17,137	1,429	4,486	6,526	2,945	1,751
1963	3,312	14,895	18,207	1,511	4,770	6,948	3,098	1,880
1964	3,612	15,881	19,493	1,616	5,120	7,366	3,305	2,086
1965	4,175	16,979	21,155	1,762	5,534	8,043	3,509	2,307
1966	4,338	18,349	22,686	1,861	5,882	8,625	3,811	2,507
1967	4,433	19,722	24,155	1,979	6,379	9,091	4,058	2,648
1968	4,714	20,997	25,711	2,135	6,565	9,885	4,267	2,859
1969	4,796	22,606	27,401	2,191	6,962	10,588	4,494	3,165
1970	4,197	23,837	28,034	2,295	7,074	10,885	4,520	3,260
1971	4,925	25,722	30,646	2,532	7,681	11,877	4,924	3,632
1972	6,240	27,846	34,086	2,786	8,612	13,058	5,568	4,062
1973	7,422	30,891	38,313	3,095	9,697	14,505	6,281	4,735
1974	8,303	36,435	44,739	3,638	11,385	16,570	7,603	5,543
1975	10,184	41,178	51,361	4,167	13,020	19,151	8,955	6,068
1976	11,058	46,070	57,128	4,625	14,448	21,057	10,183	6,815
1977	11,750	49,873	61,623	4,921	15,563	22,719	10,967	7,452
1978	13,480	55,299	68,778	5,615	17,196	25,186	12,355	8,426
1979	15,421	61,604	77,025	6,295	19,625	27,515	14,191	9,399
1980	15,698	68,328	84,026	6,628	20,895	29,666	16,027	10,810
1981	16,547	77,746	94,293	7,245	22,670	33,732	18,361	12,283
1982	14,874	82,764	97,638	7,720	23,497	35,543	18,813	12,065
1983	17,584	87,545	105,129	8,620	25,531	38,982	19,592	12,404

Note: Figures may not cross-add due to rounding.

[1] Retail trade data prior to 1975 were based on samples of retail firms benchmarked to census information; there were overlaps of data benchmarked to different census years. Beginning with 1975, and extended back to 1971, retail trade data were obtained from a sample of firms derived from non-census information and these data are not comparable to earlier data. Data prior to 1961 were based on the 1948 Standard Industrial Classification, and the more recent data are based on the 1960 S.I.C.

[2] Includes the Yukon and Northwest Territories.

Source: Statistics Canada, *Retail Trade*, cat. 63-005.

Reference Table 18

Private and Public Investment in Canada
1960 – 1983

Year	Capital expenditures			Repair expenditures	Total	Capital expenditures			Repair expenditures	Total
	Construction	Machinery and equipment	Sub-total			Construction	Machinery and equipment	Sub-total		
	Primary and construction industries					Manufacturing				
	(Millions of dollars)									
1960	511	680	1,191	506	1,697	335	843	1,178	671	1,849
1961	654	647	1,301	512	1,813	279	806	1,085	682	1,767
1962	647	745	1,392	536	1,928	353	916	1,269	750	2,019
1963	659	885	1,544	586	2,130	355	1,003	1,358	801	2,159
1964	769	1,059	1,828	660	2,488	443	1,388	1,831	896	2,727
1965	844	1,161	2,005	724	2,729	604	1,736	2,340	974	3,314
1966	1,066	1,348	2,414	796	3,210	788	2,126	2,914	1,096	4,010
1967	1,069	1,427	2,496	854	3,350	677	1,857	2,534	1,156	3,690
1968	1,086	1,341	2,427	914	3,341	657	1,542	2,199	1,232	3,431
1969	1,203	1,323	2,526	985	3,511	772	1,828	2,600	1,306	3,906
1970	1,284	1,268	2,552	1,112	3,664	997	2,226	3,223	1,417	4,640
1971	1,605	1,508	3,113	1,212	4,325	873	2,121	2,994	1,483	4,477
1972	1,528	1,785	3,313	1,304	4,617	829	2,119	2,948	1,657	4,605
1973	1,756	2,102	3,858	1,582	5,439	986	2,682	3,668	1,919	5,587
1974	2,184	2,529	4,713	1,899	6,612	1,425	3,525	4,950	2,310	7,260
1975	2,619	3,205	5,824	2,198	8,022	1,568	3,953	5,521	2,445	7,967
1976	3,094	4,168	7,262	2,540	9,802	1,440	4,026	5,465	2,891	8,357
1977	3,683	4,219	7,902	2,772	10,674	1,659	4,422	6,081	3,216	9,297
1978	4,058	4,440	8,498	2,972	11,469	1,544	4,635	6,178	3,596	9,774
1979	5,798	5,510	11,308	3,629	14,937	1,611	5,833	7,444	4,096	11,541
1980	8,302	6,061	14,363	4,501	18,864	2,256	7,491	9,747	4,731	14,478
1981	9,426	7,024	16,451	5,256	21,707	3,074	9,665	12,739	4,955	17,694
1982	9,168	6,168	15,336	5,209	20,545	2,771	8,352	11,123	4,766	15,889
1983	9,747	5,797	15,544	5,347	20,891	2,041	7,061	9,103	4,966	14,068
	Utilities					Trade, finance and commercial services				
	(Millions of dollars)									
1960	1,074	698	1,772	713	2,485	466	409	875	168	1,043
1961	1,088	610	1,698	723	2,421	451	396	847	162	1,009
1962	982	619	1,601	734	2,335	438	422	860	164	1,024
1963	1,111	660	1,771	774	2,545	468	450	918	183	1,101
1964	1,332	727	2,059	822	2,881	548	494	1,042	195	1,237
1965	1,443	980	2,423	867	3,290	705	564	1,269	220	1,489
1966	1,666	1,260	2,926	945	3,871	860	667	1,527	248	1,775
1967	1,748	1,397	3,145	1,019	4,164	764	770	1,534	272	1,806
1968	1,774	1,446	3,220	1,070	4,290	710	762	1,472	300	1,772
1969	1,719	1,586	3,305	1,113	4,418	704	952	1,656	299	1,955
1970	2,044	1,584	3,628	1,218	4,846	760	985	1,745	323	2,068
1971	2,228	1,760	3,988	1,318	5,306	901	1,014	1,915	324	2,239
1972	2,357	1,872	4,229	1,424	5,653	1,212	1,430	2,642	355	2,997
1973	2,673	2,484	5,157	1,617	6,774	1,685	1,759	3,445	420	3,864
1974	3,154	3,087	6,241	2,002	8,243	2,184	2,145	4,329	510	4,839
1975	4,403	3,630	8,033	2,229	10,262	2,768	2,448	5,216	591	5,807
1976	4,426	3,828	8,254	2,588	10,842	2,724	2,546	5,270	724	5,994
1977	5,073	4,115	9,188	2,948	12,136	2,605	2,730	5,335	775	6,110
1978	5,626	4,900	10,526	3,393	13,918	2,925	3,402	6,327	912	7,239
1979	6,184	5,576	11,760	3,830	15,590	3,932	4,516	8,449	1,099	9,548
1980	6,717	6,047	12,763	4,439	17,202	4,430	5,079	9,509	1,222	10,731
1981	8,588	7,655	16,244	5,065	21,309	5,236	5,670	10,906	1,395	12,301
1982	10,274	7,626	17,900	5,419	23,319	4,703	4,989	9,692	1,332	11,024
1983	9,246	7,831	17,077	5,859	22,936	3,763	4,873	8,635	1,399	10,034

Reference Table 18 (continued)

Private and Public Investment in Canada
1960 – 1983

Year	Capital expenditures			Repair expenditures	Total	Capital expenditures			Repair expenditures	Total
	Construction	Machinery and equipment	Subtotal			Construction	Machinery and equipment	Subtotal		
	Institutions					Housing(1)				
	(Millions of dollars)									
1960	500	73	573	71	644	1,522	—	1,522	457	1,979
1961	536	81	617	78	695	1,497	—	1,497	484	1,981
1962	729	105	834	76	910	1,555	—	1,555	513	2,068
1963	757	116	873	75	948	1,652	—	1,652	544	2,196
1964	648	123	771	79	850	1,990	—	1,990	577	2,567
1965	867	145	1,012	82	1,094	2,218	—	2,218	618	2,836
1966	1,020	184	1,204	93	1,297	2,180	—	2,180	661	2,841
1967	1,107	208	1,315	113	1,428	2,378	—	2,378	713	3,091
1968	1,197	225	1,422	118	1,540	2,806	—	2,806	780	3,586
1969	1,134	209	1,343	133	1,476	3,384	—	3,384	844	4,228
1970	1,095	216	1,311	134	1,445	3,138	—	3,138	871	4,009
1971	1,199	236	1,435	152	1,587	4,025	—	4,025	951	4,976
1972	993	225	1,218	168	1,386	4,820	—	4,820	1,051	5,871
1973	914	228	1,142	175	1,316	5,978	—	5,978	1,188	7,165
1974	1,064	275	1,338	199	1,537	7,010	—	7,010	1,451	8,461
1975	1,191	293	1,484	224	1,708	7,114	—	7,114	1,576	8,690
1976	1,168	317	1,485	256	1,741	10,853	—	10,853	1,817	12,669
1977	1,180	335	1,514	313	1,827	11,065	—	11,065	2,061	13,126
1978	1,181	362	1,542	344	1,886	11,450	—	11,450	2,329	13,780
1979	1,328	363	1,690	369	2,059	11,617	—	11,617	2,649	14,267
1980	1,625	506	2,131	420	2,551	11,014	—	11,014	2,862	13,876
1981	1,882	606	2,488	544	3,032	13,135	—	13,135	3,229	16,365
1982	2,109	638	2,747	606	3,353	9,891	—	9,891	3,451	13,342
1983	2,304	643	2,947	623	3,570	10,727	—	10,727	3,688	14,414
	Government departments					Total				
	(Millions of dollars)									
1960	1,171	103	1,274	383	1,657	5,579	2,806	8,385	2,969	11,354
1961	1,125	122	1,247	380	1,627	5,630	2,662	8,292	3,021	11,313
1962	1,130	128	1,258	388	1,646	5,834	2,935	8,769	3,161	11,930
1963	1,154	128	1,282	393	1,675	6,156	3,242	9,398	3,356	12,754
1964	1,303	157	1,460	402	1,862	7,033	3,948	10,981	3,631	14,612
1965	1,494	174	1,668	442	2,110	8,175	4,760	12,935	3,927	16,862
1966	1,702	222	1,924	526	2,450	9,283	5,807	15,089	4,365	19,454
1967	1,731	215	1,946	573	2,519	9,474	5,874	15,348	4,700	20,048
1968	1,679	230	1,909	604	2,513	9,909	5,546	15,455	5,018	20,473
1969	1,908	205	2,113	583	2,696	10,824	6,103	16,927	5,263	22,190
1970	2,001	200	2,201	592	2,793	11,319	6,479	17,798	5,667	23,465
1971	2,443	271	2,714	620	3,334	13,274	6,910	20,184	6,060	26,244
1972	2,731	317	3,048	615	3,663	14,470	7,748	22,218	6,574	28,792
1973	2,962	410	3,372	708	4,080	16,953	9,666	26,618	7,608	34,226
1974	3,751	551	4,302	819	5,121	20,771	12,111	32,882	9,189	42,072
1975	4,392	633	5,025	892	5,917	24,055	14,162	38,216	10,155	48,371
1976	4,440	607	5,047	960	6,007	28,144	15,492	43,636	11,775	55,412
1977	4,865	648	5,513	1,085	6,598	30,130	16,467	46,598	13,170	59,767
1978	5,129	710	5,839	1,151	6,990	31,912	18,448	50,360	14,696	65,055
1979	5,377	710	6,087	1,300	7,387	35,847	22,506	58,354	16,974	75,328
1980	5,814	853	6,666	1,543	8,210	40,157	26,036	66,193	19,718	85,911
1981	6,517	1,124	7,641	1,742	9,383	47,860	31,744	79,604	22,186	101,790
1982	7,292	1,098	8,391	2,020	10,410	46,208	28,871	75,079	22,803	97,882
1983	7,578	1,156	8,734	2,069	10,803	45,406	27,361	72,766	23,951	96,717

Note: 1982 figures are actual, 1983 figures are preliminary actual.

(1) Totals differ from housing expenditures as shown in reference tables 3 to 6, in that the national income and expenditure totals include selling costs, principally real estate commissions.

Source: Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada*, occasional, cat. 61-504; Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada*, annual, cat. 61-206.

Reference Table 19

Private and Public Investment in Canada 1960 – 1983

Year	Capital expenditures			Repair expenditures	Total	Capital expenditures			Repair expenditures	Total
	Construction	Machinery and equipment	Sub-total			Construction	Machinery and equipment	Sub-total		
	Primary and construction industries					Manufacturing				
	(Percentage distribution)									
1960	30.1	40.0	70.2	29.8	100.0	18.1	45.6	63.7	36.3	100.0
1961	36.1	35.7	71.8	28.2	100.0	15.8	45.6	61.4	38.6	100.0
1962	33.6	38.6	72.2	27.8	100.0	17.5	45.4	62.9	37.1	100.0
1963	30.9	41.5	72.5	27.5	100.0	16.4	46.5	62.9	37.1	100.0
1964	30.9	42.6	73.5	26.5	100.0	16.2	50.9	67.1	32.9	100.0
1965	30.9	42.5	73.5	26.5	100.0	18.2	52.4	70.6	29.4	100.0
1966	33.2	42.0	75.2	24.8	100.0	19.7	53.0	72.7	27.3	100.0
1967	31.9	42.6	74.5	25.5	100.0	18.3	50.3	68.7	31.3	100.0
1968	32.5	40.1	72.6	27.4	100.0	19.1	44.9	64.1	35.9	100.0
1969	34.3	37.7	71.9	28.1	100.0	19.8	46.8	66.6	33.4	100.0
1970	35.0	34.6	69.7	30.3	100.0	21.5	48.0	69.5	30.5	100.0
1971	37.1	34.9	72.0	28.0	100.0	19.5	47.4	66.9	33.1	100.0
1972	33.1	38.7	71.8	28.2	100.0	18.0	46.0	64.0	36.0	100.0
1973	32.3	38.6	70.9	29.1	100.0	17.6	48.0	65.7	34.3	100.0
1974	33.0	38.2	71.3	28.7	100.0	19.6	48.5	68.2	31.8	100.0
1975	32.6	40.0	72.6	27.4	100.0	19.7	49.6	69.3	30.7	100.0
1976	31.6	42.5	74.1	25.9	100.0	17.2	48.2	65.4	34.6	100.0
1977	34.5	39.5	74.0	26.0	100.0	17.8	47.6	65.4	34.6	100.0
1978	35.4	38.7	74.1	25.9	100.0	15.8	47.4	63.2	36.8	100.0
1979	38.8	36.9	75.7	24.3	100.0	14.0	50.5	64.5	35.5	100.0
1980	44.0	32.1	76.1	23.9	100.0	15.6	51.7	67.3	32.7	100.0
1981	43.4	32.4	75.8	24.2	100.0	17.4	54.6	72.0	28.0	100.0
1982	44.6	30.0	74.6	25.4	100.0	17.4	52.6	70.0	30.0	100.0
1983	46.7	27.7	74.4	25.6	100.0	14.5	50.2	64.7	35.3	100.0
	Utilities					Trade, finance and commercial services				
	(Percentage distribution)									
1960	43.2	28.1	71.3	28.7	100.0	44.7	39.2	83.9	16.1	100.0
1961	44.9	25.2	70.1	29.9	100.0	44.7	39.2	83.9	16.1	100.0
1962	42.1	26.5	68.6	31.4	100.0	42.8	41.2	84.0	16.0	100.0
1963	43.7	25.9	69.6	30.4	100.0	42.5	40.9	83.4	16.6	100.0
1964	46.2	25.2	71.5	28.5	100.0	44.3	39.9	84.2	15.8	100.0
1965	43.9	29.8	73.6	26.4	100.0	47.3	37.9	85.2	14.8	100.0
1966	43.0	32.5	75.6	24.4	100.0	48.5	37.6	86.0	14.0	100.0
1967	42.0	33.5	75.5	24.5	100.0	42.3	42.6	84.9	15.1	100.0
1968	41.4	33.7	75.1	24.9	100.0	40.1	43.0	83.1	16.9	100.0
1969	38.9	35.9	74.8	25.2	100.0	36.0	48.7	84.7	15.3	100.0
1970	42.2	32.7	74.9	25.1	100.0	36.8	47.6	84.4	15.6	100.0
1971	42.0	33.2	75.2	24.8	100.0	40.2	45.3	85.5	14.5	100.0
1972	41.7	33.1	74.8	25.2	100.0	40.4	47.7	88.2	11.8	100.0
1973	39.5	36.7	76.1	23.9	100.0	43.6	45.5	89.1	10.9	100.0
1974	38.3	37.4	75.7	24.3	100.0	45.1	44.3	89.5	10.5	100.0
1975	42.9	35.4	78.3	21.7	100.0	47.7	42.2	89.8	10.2	100.0
1976	40.8	35.3	76.1	23.9	100.0	45.5	42.5	87.9	12.1	100.0
1977	41.8	33.9	75.7	24.3	100.0	42.6	44.7	87.3	12.7	100.0
1978	40.4	35.2	75.6	24.4	100.0	40.4	47.0	87.4	12.6	100.0
1979	39.7	35.8	75.4	24.6	100.0	41.2	47.3	88.5	11.5	100.0
1980	39.0	35.2	74.2	25.8	100.0	41.3	47.3	88.6	11.4	100.0
1981	40.3	35.9	76.2	23.8	100.0	42.6	46.1	88.7	11.3	100.0
1982	44.1	32.7	76.8	23.2	100.0	42.7	45.3	87.9	12.1	100.0
1983	40.3	34.1	74.5	25.5	100.0	37.5	48.6	86.1	13.9	100.0

Reference Table 19 (continued)

Private and Public Investment in Canada
1960 – 1983

Year	Capital expenditures			Repair expenditures	Total	Capital expenditures			Repair expenditures	Total
	Construction	Machinery and equipment	Sub-total			Construction	Machinery and equipment	Sub-total		
	Institutions					Housing[1]				
	(Percentage distribution)									
1960	77.6	11.3	89.0	11.0	100.0	76.9	—	76.9	23.1	100.0
1961	77.1	11.7	88.8	11.2	100.0	75.6	—	75.6	24.4	100.0
1962	80.1	11.5	91.6	8.4	100.0	75.2	—	75.2	24.8	100.0
1963	79.9	12.2	92.1	7.9	100.0	75.2	—	75.2	24.8	100.0
1964	76.2	14.5	90.7	9.3	100.0	77.5	—	77.5	22.5	100.0
1965	79.3	13.3	92.5	7.5	100.0	78.2	—	78.2	21.8	100.0
1966	78.6	14.2	92.8	7.2	100.0	76.7	—	76.7	23.3	100.0
1967	77.5	14.6	92.1	7.9	100.0	76.9	—	76.9	23.1	100.0
1968	77.7	14.6	92.3	7.7	100.0	78.2	—	78.2	21.8	100.0
1969	76.8	14.2	91.0	9.0	100.0	80.0	—	80.0	20.0	100.0
1970	75.8	14.9	90.7	9.3	100.0	78.3	—	78.3	21.7	100.0
1971	75.6	14.9	90.4	9.6	100.0	80.9	—	80.9	19.1	100.0
1972	71.6	16.2	87.9	12.1	100.0	82.1	—	82.1	17.9	100.0
1973	69.4	17.3	86.7	13.3	100.0	83.4	—	83.4	16.6	100.0
1974	69.2	17.9	87.1	12.9	100.0	82.9	—	82.9	17.1	100.0
1975	69.7	17.2	86.9	13.1	100.0	81.9	—	81.9	18.1	100.0
1976	67.1	18.2	85.3	14.7	100.0	85.7	—	85.7	14.3	100.0
1977	64.6	18.3	82.9	17.1	100.0	84.3	—	84.3	15.7	100.0
1978	62.6	19.2	81.8	18.2	100.0	83.1	—	83.1	16.9	100.0
1979	64.5	17.6	82.1	17.9	100.0	81.4	—	81.4	18.6	100.0
1980	63.7	19.8	83.6	16.4	100.0	79.4	—	79.4	20.6	100.0
1981	62.1	20.0	82.1	17.9	100.0	80.3	—	80.3	19.7	100.0
1982	62.9	19.0	81.9	18.1	100.0	74.1	—	74.1	25.9	100.0
1983	64.5	18.0	82.5	17.5	100.0	74.4	—	74.4	25.6	100.0
	Government departments					Total				
	(Percentage distribution)									
1960	70.7	6.2	76.9	23.1	100.0	49.1	24.7	73.8	26.2	100.0
1961	69.1	7.5	76.6	23.4	100.0	49.8	23.5	73.3	26.7	100.0
1962	68.7	7.8	76.4	23.6	100.0	48.9	24.6	73.5	26.5	100.0
1963	68.9	7.6	76.5	23.5	100.0	48.3	25.4	73.7	26.3	100.0
1964	70.0	8.4	78.4	21.6	100.0	48.1	27.0	75.1	24.9	100.0
1965	70.8	8.2	79.1	20.9	100.0	48.5	28.2	76.7	23.3	100.0
1966	69.5	9.1	78.5	21.5	100.0	47.7	29.8	77.6	22.4	100.0
1967	68.7	8.5	77.3	22.7	100.0	47.3	29.3	76.6	23.4	100.0
1968	66.8	9.2	76.0	24.0	100.0	48.4	27.1	75.5	24.5	100.0
1969	70.8	7.6	78.4	21.6	100.0	48.8	27.5	76.3	23.7	100.0
1970	71.6	7.2	78.8	21.2	100.0	48.2	27.6	75.8	24.2	100.0
1971	73.3	8.1	81.4	18.6	100.0	50.6	26.3	76.9	23.1	100.0
1972	74.6	8.7	83.2	16.8	100.0	50.3	26.9	77.2	22.8	100.0
1973	72.6	10.1	82.6	17.4	100.0	49.5	28.2	77.8	22.2	100.0
1974	73.2	10.8	84.0	16.0	100.0	49.4	28.8	78.2	21.8	100.0
1975	74.2	10.7	84.9	15.1	100.0	49.7	29.3	79.0	21.0	100.0
1976	73.9	10.1	84.0	16.0	100.0	50.8	28.0	78.7	21.3	100.0
1977	73.7	9.8	83.6	16.4	100.0	50.4	27.6	78.0	22.0	100.0
1978	73.4	10.2	83.5	16.5	100.0	49.1	28.4	77.4	22.6	100.0
1979	72.8	9.6	82.4	17.6	100.0	47.6	29.9	77.5	22.5	100.0
1980	70.8	10.4	81.2	18.8	100.0	46.7	30.3	77.0	23.0	100.0
1981	69.5	12.0	81.4	18.6	100.0	47.0	31.2	78.2	21.8	100.0
1982	70.1	10.5	80.6	19.4	100.0	47.2	29.5	76.7	23.3	100.0
1983	70.1	10.7	80.9	19.1	100.0	46.9	28.3	75.2	24.8	100.0

Note: 1982 figures are actual, 1983 figures are preliminary actual. Figures may not add due to rounding.

[1] Totals differ from housing expenditures as shown in reference tables 3 to 6, in that the national income and expenditure totals include selling costs, principally real estate commissions.

Source: Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada.*

Reference Table 20

Private and Public Investment by Region
Capital Expenditures
1960 – 1983

Year	Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Atlantic region	Quebec
D	836852	836856	836863	836870	836940	836877
			(Millions of dollars)			
1960	146	37	234	180	597	2,007
1961	184	38	224	171	617	2,008
1962	261	43	223	179	706	2,154
1963	236	43	234	189	702	2,301
1964	231	39	270	257	797	2,828
1965	228	57	318	334	937	3,206
1966	340	57	411	390	1,198	3,441
1967	360	46	463	378	1,246	3,203
1968	387	41	461	330	1,219	3,175
1969	395	44	552	392	1,383	3,376
1970	503	54	607	471	1,635	3,418
1971	678	73	628	497	1,876	4,150
1972	607	72	613	487	1,779	4,824
1973	634	124	825	636	2,219	5,826
1974	698	118	893	976	2,685	7,398
1975	714	118	922	1,159	2,913	9,170
1976	829	111	1,041	1,177	3,159	9,813
1977	712	130	1,040	1,155	3,038	10,702
1978	784	172	1,190	1,310	3,456	10,794
1979	1,035	201	1,323	1,652	4,211	11,854
1980	1,087	207	1,446	1,469	4,209	12,819
1981	1,239	177	1,858	1,507	4,781	13,739
1982	1,517	182	2,270	1,673	5,643	13,098
1983	1,672	216	2,710	1,521	6,119	13,749

	Ontario	Manitoba	Saskatchewan	Alberta	Prairie region	British Columbia[1]
D	836884	836891	836898	836905	836947	836912 + 836919
			(Millions of dollars)			
1960	2,858	487	474	946	1,907	895
1961	2,794	417	454	981	1,852	901
1962	3,054	424	513	937	1,874	927
1963	3,282	491	603	995	2,089	1,019
1964	3,747	528	648	1,100	2,276	1,296
1965	4,379	537	773	1,320	2,630	1,713
1966	5,289	651	921	1,553	3,124	2,037
1967	5,416	714	959	1,667	3,340	2,139
1968	5,579	820	943	1,723	3,486	1,996
i969	6,307	901	755	1,914	3,570	2,291
1970	6,928	871	603	1,957	3,431	2,386
1971	7,460	812	664	2,139	3,615	3,083
1972	8,237	970	824	2,383	4,177	3,201
1973	9,714	1,143	979	2,931	5,053	3,804
1974	11,816	1,379	1,262	3,831	6,472	4,511
1975	12,920	1,521	1,780	5,007	8,308	4,905
1976	13,948	1,812	2,180	7,002	10,995	5,722
1977	14,732	1,897	2,269	7,826	11,992	6,133
1978	15,561	2,018	2,393	9,431	13,842	6,706
1979	17,093	2,041	3,104	11,920	17,064	8,131
1980	19,108	2,024	3,324	14,210	19,559	10,499
1981	22,741	2,276	4,027	18,497	24,801	13,542
1982	22,423	1,955	3,492	17,962	23,409	12,189
1983	22,844	2,160	3,851	14,699	20,710	11,003

Note: 1982 figures are actual, 1983 figures are preliminary actual.

[1] Includes the Yukon and the Northwest Territories.

Source: Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada.*

Reference Table 21

Private Investment Capital Expenditures Excluding Housing by Region(1)
1965 – 1983

Year	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia(2)
			(Millions of dollars)			
1965	8,052	521	1,909	2,692	1,780	1,148
1966	9,781	702	2,225	3,313	2,145	1,396
1967	9,709	742	1,970	3,257	2,303	1,436
1968	9,318	689	1,853	3,123	2,381	1,271
1969	10,087	841	1,846	3,619	2,323	1,458
1970	11,148	1,052	1,883	4,341	2,300	1,570
1971	12,010	1,185	2,141	4,377	2,282	2,024
1972	13,132	1,056	2,719	4,696	2,744	1,916
1973	16,127	1,262	3,421	5,622	3,466	2,356
1974	20,232	1,492	4,468	7,058	4,453	2,762
1975	24,594	1,597	5,880	8,363	5,775	2,978
1976	26,252	1,653	5,676	8,409	7,298	3,216
1977	28,505	1,681	6,320	8,989	7,905	3,610
1978	31,528	1,928	6,782	9,802	8,934	4,082
1979	38,960	2,538	7,797	11,412	11,770	5,444
1980	46,382	2,636	8,760	13,647	14,281	7,058
1981	56,340	3,176	9,432	16,356	18,411	8,964
1982	55,354	4,034	9,354	16,287	16,945	8,734
1983	49,757	3,833	8,443	15,347	14,503	7,631
			(Per cent change)			
1965	20.4	11.8	15.3	21.2	18.3	36.7
1966	21.5	34.6	16.5	23.1	20.5	21.6
1967	–0.7	5.8	–11.5	–1.7	7.4	2.9
1968	–4.0	–7.2	–5.9	–4.1	3.4	–11.5
1969	8.3	22.1	–0.4	15.9	–2.4	14.7
1970	10.5	25.1	2.0	20.0	–1.0	7.7
1971	7.7	12.6	13.7	0.8	–0.8	28.9
1972	9.3	–10.9	27.0	7.3	20.2	–5.3
1973	22.8	19.5	25.8	19.7	26.3	22.9
1974	25.5	18.2	30.6	25.5	28.5	17.2
1975	21.6	7.1	31.6	18.5	29.7	7.8
1976	6.7	3.5	–3.5	0.5	26.4	8.0
1977	8.6	1.7	11.3	6.9	8.3	12.3
1978	10.6	14.7	7.3	9.0	13.0	13.1
1979	23.6	31.6	15.0	16.4	31.7	33.4
1980	19.0	3.9	12.3	19.6	21.3	29.6
1981	21.5	20.5	7.7	19.9	28.9	27.0
1982	–1.7	27.0	–0.8	–0.4	–8.0	–2.6
1983	–10.1	–5.0	–9.7	–5.8	–4.4	–12.6

Note: 1982 figures are actual, 1983 figures are preliminary actual.

(1) Total private and public expenditures minus housing, institutions and government departments.

(2) Includes the Yukon and the Northwest Territories.

Source: Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada.*

Reference Table 22

Dwelling Starts, Completions and Under Construction 1948 – 1983

Year	Starts			Completions			Under construction[1]	
	Centres of 5,000 population and over[2]	Other areas	Total	Centres of 5,000 population and over[2]	Other areas	Total	Centres of 5,000 population and over[2]	Total
				(Number of units)				
1948	57,888	32,306	90,194	48,006	28,091	76,097	39,217	56,456
1949	58,125	32,384	90,509	59,765	28,448	88,233	37,344	58,169
1950	68,599	23,932	92,531	62,847	26,168	89,015	41,510	60,538
1951	47,374	21,205	68,579	61,167	20,143	81,310	26,783	45,926
1952	63,443	19,803	83,246	54,346	18,741	73,087	36,998	55,689
1953	80,313	22,096	102,409	73,375	23,464	96,839	42,808	59,923
1954	89,755	23,772	113,527	80,593	21,372	101,965	51,302	68,641
1955	97,386	40,890	138,276	93,942	33,987	127,929	53,677	79,339
1956	87,309	40,002	127,311	95,152	40,548	135,700	44,386	68,579
1957	84,875	37,465	122,340	80,995	36,288	117,283	49,508	72,573
1958	121,695	42,937	164,632	107,839	38,847	146,686	63,080	88,162
1959	105,991	35,354	141,345	108,059	37,612	145,671	59,879	81,905
1960	76,687	32,171	108,858	90,513	33,244	123,757	44,975	65,773
1961	92,741	32,836	125,577	83,148	32,460	115,608	53,195	73,583
1962	102,008	28,087	130,095	98,530	28,152	126,682	59,387	76,153
1963	118,512	30,112	148,624	99,133	29,058	128,191	77,929	96,613
1964	133,562	32,096	165,658	121,378	29,585	150,963	88,493	107,718
1965	135,218	31,347	166,565	122,197	30,840	153,037	99,815	119,854
1966	108,329	26,145	134,474	134,569	27,623	162,192	71,477	88,621
1967	131,858	32,265	164,123	120,163	29,079	149,242	82,616	102,716
1968	162,267	34,611	196,878	136,337	34,656	170,993	106,834	126,638
1969	169,739	40,676	210,415	159,089	36,737	195,826	114,386	137,357
1970	150,999	39,529	190,528	138,576	37,251	175,827	123,901	148,185
1971	180,948	52,705	233,653	155,892	45,340	201,232	145,885	177,257
1972	206,954	42,960	249,914	192,984	39,243	232,227	163,318	188,630
1973	211,543	56,986	268,529	197,513	49,068	246,581	174,852	207,236
1974	169,437	52,686	222,123	202,989	54,254	257,243	138,360	168,406
1975	181,846	49,610	231,456	170,325	46,639	216,964	146,517	176,599
1976	209,762	63,441	273,203	180,765	55,484	236,249	168,282	204,286
1977	200,201	45,523	245,724	206,217	45,572	251,789	158,216	185,599
1978	178,678	48,989	227,667	198,777	47,756	246,533	135,239	164,702
1979	151,717	45,332	197,049	178,604	47,885	226,489	103,414	128,601
1980	125,013	33,588	158,601	140,996	35,172	176,168	84,195	105,780
1981	142,441	35,532	177,973	137,955	37,041	174,996	85,515	102,829
1982	104,792	21,068	125,860	112,251	21,691	133,942	74,685	89,055
1983	134,207	28,438	162,645	135,848	27,160	163,008	70,118	84,930

Note: Data for 1962 to 1965 are based on 1961 Census area definitions, for 1966 to 1971 on 1966 Census area definitions, for 1972 to 1976 on 1971 Census area definitions. and for 1977 to 1981 on 1976 Census area definitions. Subsequent data are based on 1981 Census area definitions.

[1] At end of period.

[2] Data for years after 1967 based on areas of 10,000 population and over.

Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics.*

Reference Table 23

Dwelling Starts and Completions, by Type

1949 – 1983

	Starts					Completions				
Year	Single detached	Semi-detached and duplex	Row	Apartments	Total	Single detached	Semi-detached and duplex	Row	Apartments	Total
					(Number of units)					
1949	71,425	7,536	0	11,548	90,509	68,966	7,309	485	11,473	88,233
1950	68,675	8,664	631	14,561	92,531	68,685	7,376	145	12,809	89,015
1951	53,002	5,658	54	9,865	68,579	60,366	7,568	585	12,791	81,310
1952	60,696	5,360	299	16,891	83,246	55,967	5,314	99	11,707	73,087
1953	70,782	7,202	553	23,872	102,409	68,916	7,714	372	19,837	96,839
1954	78,574	6,498	1,000	27,455	113,527	71,760	6,098	1,065	23,042	101,965
1955	99,003	10,606	1,909	26,758	138,276	90,553	8,278	1,547	27,551	127,929
1956	90,620	9,441	2,263	24,987	127,311	95,656	11,872	2,137	26,035	135,700
1957	82,955	9,272	2,214	27,899	122,340	81,096	8,464	2,350	25,373	117,283
1958	104,508	10,713	2,457	46,954	164,632	96,830	10,004	2,226	37,626	146,686
1959	92,178	10,468	1,908	36,791	141,345	95,455	10,923	2,308	36,985	145,671
1960	67,171	9,699	2,301	29,687	108,858	78,113	9,911	1,616	34,117	123,757
1961	76,430	11,650	1,864	35,633	125,577	76,171	10,593	2,019	26,825	115,608
1962	74,443	10,975	3,742	40,935	130,095	75,593	11,922	2,451	36,715	126,682
1963	77,158	7,891	3,895	59,680	148,624	71,585	7,150	3,487	45,969	128,191
1964	77,079	8,706	4,755	75,118	165,658	76,225	8,091	3,861	62,786	150,963
1965	75,441	7,924	5,306	77,894	166,565	75,104	8,730	4,097	65,106	153,037
1966	70,642	7,281	5,000	51,551	134,474	73,858	7,707	6,412	74,215	162,192
1967	72,534	9,939	7,392	74,258	164,123	73,631	9,089	5,431	61,091	149,242
1968	75,339	10,114	8,042	103,383	196,878	74,640	10,098	7,896	78,359	170,993
1969	78,404	10,373	10,721	110,917	210,415	78,584	10,483	7,827	98,932	195,826
1970	70,749	10,826	17,055	91,898	190,528	66,615	9,066	11,473	88,673	175,827
1971	98,056	13,751	15,659	106,187	233,653	82,978	12,518	16,795	88,941	201,232
1972	115,570	13,649	16,980	103,715	249,914	106,508	13,184	14,416	98,119	232,227
1973	131,552	13,235	17,291	106,451	268,529	122,696	13,479	14,832	95,574	246,581
1974	122,143	11,023	14,932	74,025	222,123	129,704	12,509	19,225	95,805	257,243
1975	123,929	15,403	21,763	70,361	231,456	113,409	12,303	16,095	75,157	216,964
1976	134,313	15,890	33,676	89,324	273,203	128,623	15,160	21,172	71,294	236,249
1977	108,403	18,373	26,621	92,327	245,724	117,792	17,281	31,561	85,155	251,789
1978	110,029	19,932	20,379	77,327	227,667	106,195	19,155	26,644	94,539	246,533
1979	109,117	16,296	13,249	58,387	197,049	112,105	18,071	18,860	77,453	226,489
1980	87,721	11,149	11,402	48,329	158,601	90,720	13,675	13,398	58,375	176,168
1981	89,071	11,768	15,525	61,609	177,973	98,412	12,831	13,252	50,501	174,996
1982	54,457	6,254	11,987	53,162	125,860	54,720	8,480	16,082	54,660	133,942
1983	102,385	6,615	9,521	44,124	162,645	95,320	7,129	9,747	50,812	163,008

Note: See *Note* to Table 22.

Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*; Canada Mortgage and Housing Corporation, *Housing in Canada*.

Reference Table 24

Manufacturers' Inventories, Shipments and Orders 1961 – 1983

Year	Manufacturing					Durable manufacturing			Non-durable manufacturing		
	Shipments	New orders received	Unfilled orders	Total inventories held	Stock to sales ratio[1]	Shipments	New orders received	Unfilled orders	Shipments	New orders received	Unfilled orders
D	310000 310030	310060 310083	310106 310129	310152 310175		310022 310052	310082 310105	310128 310151	310021 310051	310081 310104	310127 310150
					(Millions of dollars)						
1961	1,953	1,968	1,960	4,529	2.32	769	726	1,526	1,184	1,193	434
1962	2,149	2,158	2,177	4,867	2.26	883	894	1,747	1,267	1,264	430
1963	2,335	2,344	2,199	5,085	2.18	988	995	1,784	1,347	1,350	415
1964	2,571	2,601	2,497	5,436	2.11	1,121	1,151	2,069	1,451	1,450	428
1965	2,824	2,867	2,950	5,952	2.11	1,281	1,318	2,491	1,543	1,549	459
1966	3,109	3,181	3,656	6,738	2.17	1,421	1,489	3,141	1,687	1,692	515
1967	3,246	3,241	4,025	7,408	2.28	1,478	1,475	3,513	1,769	1,766	512
1968	3,505	3,508	3,961	7,446	2.12	1,633	1,628	3,384	1,872	1,880	577
1969	3,828	3,885	4,345	8,064	2.11	1,811	1,865	3,705	2,018	2,020	640
1970	3,865	3,849	4,722	8,611	2.23	1,785	1,767	3,860	2,080	2,082	863
1971	4,190	4,215	4,834	8,643	2.06	1,977	1,997	3,954	2,213	2,218	880
1972	4,687	4,736	5,049	9,197	1.96	2,222	2,265	4,097	2,465	2,471	952
1973	5,563	5,793	6,707	10,420	1.87	2,638	2,848	5,567	2,925	2,945	1,140
1974	6,871	7,125	10,063	13,674	1.99	3,136	3,386	8,699	3,735	3,739	1,363
1975	7,372	7,297	10,818	16,350	2.22	3,346	3,284	9,594	4,025	4,013	1,224
1976	8,190	8,117	10,043	17,420	2.13	3,749	3,667	8,807	4,442	4,450	1,236
1977	9,083	9,212	10,741	18,943	2.09	4,169	4,284	9,381	4,914	4,927	1,360
1978	10,775	11,035	12,760	20,882	1.94	5,012	5,238	11,043	5,763	5,798	1,717
1979	12,707	12,965	16,441	24,728	1.95	5,869	6,111	14,383	6,838	6,854	2,058
1980	14,030	14,091	18,369	29,695	2.12	6,242	6,286	16,236	7,789	7,805	2,133
1981	15,926	15,931	18,906	34,236	2.15	6,858	6,871	16,684	9,068	9,061	2,223
1982	15,317	15,117	16,986	35,585	2.32	6,273	6,090	14,926	9,044	9,027	2,059
1983	16,672	17,062	17,736	31,856	1.91	7,010	7,386	15,660	9,663	9,676	2,076

(1) Ratio of total inventories held to shipments.

Source: Statistics Canada, *Inventories, Shipments and Orders in Manufacturing Industries*, monthly, cat. 31-001.

Reference Table 25

Gross Domestic Product in Constant (1971) Dollars by Industry
1971 – 1983

Year	Gross domestic product	Agri-culture	Gross domestic product less agri-culture	Mines quarries and oil wells	Manufacturing			Cons-truction	Electric power gas and water utilities	Transpor-tation storage and communi-cation	Trade			Finance insur-ance and real estate	Commu-nity business and personal services	Public admin-istra-tion and defence	Commer-cial industries	Commer-cial industries less agri-culture	Goods pro-ducing industries	Service pro-ducing industries	Non-commer-cial industries	Industrial produc-tion
					Total	Non-durable	Durable				Total	Whole-sale	Retail									
D	141940	141941	142086	141944	141965	142106	142105	142037	142049	142038	142052	142053	142056	142069	142076	142082	142102	142103	142100	142101	142104	142099
											(Millions of dollars)											
1971	83,260	2,697	80,565	3,146	19,041	9,396	9,645	5,848	2,194	10,088	9,806	4,103	5,703	9,589	16,081	6,152	68,006	65,310	33,740	49,520	15,256	24,381
1972	88,143	2,390	85,753	3,286	20,516	10,157	10,359	6,021	2,438	10,944	10,774	4,491	6,283	10,100	16,846	6,414	72,504	70,114	35,500	52,643	15,639	26,240
1973	95,028	2,612	92,416	3,706	22,674	10,881	11,793	6,202	2,640	11,887	11,751	4,927	6,824	10,929	17,606	6,750	78,889	76,277	38,745	56,283	16,140	29,021
1974	99,347	2,413	96,935	3,587	23,497	11,110	12,387	6,446	2,853	12,607	12,700	5,340	7,360	11,593	18,614	7,006	82,771	80,358	39,680	59,667	16,576	29,937
1975	100,283	2,776	97,507	3,175	22,123	10,487	11,636	6,780	2,863	12,757	12,993	5,366	7,627	12,071	19,481	7,346	83,107	80,331	38,498	61,785	17,175	28,161
1976	105,410	2,948	102,468	3,237	23,519	11,255	12,264	7,111	3,136	13,524	13,586	5,522	8,065	12,683	20,370	7,566	87,906	84,958	40,823	64,583	17,510	29,893
1977	108,330	3,067	105,262	3,368	23,970	11,381	12,589	7,036	3,302	14,234	13,855	5,647	8,208	13,441	20,710	7,742	90,569	87,502	41,649	66,681	17,761	30,636
1978	111,879	2,994	108,886	3,038	25,137	11,977	13,160	6,901	3,492	14,906	14,429	5,999	8,430	14,190	21,367	7,936	93,881	90,887	42,538	69,341	17,998	31,665
1979	116,296	2,703	113,593	3,348	26,588	12,548	14,040	7,109	3,693	15,905	14,998	6,359	8,639	14,769	22,006	7,887	98,312	95,609	44,422	71,874	17,984	33,626
1980	117,747	2,921	114,825	3,465	25,831	12,556	13,275	7,042	3,832	16,420	15,012	6,386	8,626	15,332	22,744	7,980	99,591	96,669	44,091	73,656	18,156	33,129
1981	121,161	3,159	118,002	3,291	26,236	12,759	13,478	7,478	3,901	16,882	15,136	6,433	8,703	16,019	23,876	8,137	102,696	99,537	45,010	76,151	18,465	33,427
1982	115,530	3,250	112,280	2,889	23,067	11,683	11,384	6,641	3,906	16,377	14,122	5,701	8,421	16,116	23,866	8,405	96,675	93,425	40,558	74,972	18,855	29,862
1983	118,582	3,309	115,273	3,056	24,503	12,295	12,209	6,474	4,052	16,736	14,544	5,856	8,687	16,325	24,171	8,519	99,483	96,175	42,339	76,243	19,099	31,612
											(Per cent change)											
1972	5.9	−11.3	6.4	4.4	7.7	8.1	7.4	3.0	11.1	8.5	9.9	9.5	10.2	5.3	4.8	4.2	6.6	7.4	5.2	6.3	2.5	7.6
1973	7.8	9.3	7.8	12.8	10.5	7.1	13.8	3.0	8.3	8.6	9.1	9.7	8.6	8.2	4.5	5.2	8.8	8.8	9.1	6.9	3.2	10.6
1974	4.5	−7.6	4.9	−3.2	3.6	2.1	5.0	3.9	8.1	6.1	8.1	8.4	7.8	6.1	5.7	3.8	4.9	5.4	2.4	6.0	2.7	3.2
1975	0.9	15.1	0.6	−11.5	−5.8	−5.6	−6.1	5.2	0.3	1.2	2.3	0.5	3.6	4.1	4.7	4.8	0.4	0.0	−3.0	3.5	3.6	−5.9
1976	5.1	6.2	5.1	2.0	6.3	7.3	5.4	4.9	9.5	6.0	4.6	2.9	5.7	5.1	4.6	3.0	5.8	5.8	6.0	4.5	1.9	6.2
1977	2.8	4.0	2.7	4.0	1.9	1.1	2.6	−1.1	5.3	5.3	2.0	2.3	1.8	6.0	1.7	2.3	3.0	3.0	2.0	3.2	1.4	2.5
1978	3.3	−2.4	3.4	−9.8	4.9	5.2	4.5	−1.9	5.7	4.7	4.1	6.2	2.7	5.6	3.2	2.5	3.7	3.9	2.1	4.0	1.3	3.4
1979	3.9	−9.7	4.3	10.2	5.8	4.8	6.7	3.0	5.8	6.7	3.9	6.0	2.5	4.1	3.0	−0.6	4.7	5.2	4.4	3.7	−0.1	6.2
1980	1.2	8.1	1.1	3.5	−2.8	0.1	−5.4	−0.9	3.8	3.2	0.1	0.4	−0.1	3.8	3.3	1.2	1.3	1.1	−0.7	2.5	1.0	−1.5
1981	2.9	8.1	2.8	−5.0	1.6	1.6	1.5	6.2	1.8	2.8	0.8	0.7	0.9	4.5	5.0	2.0	3.1	3.0	2.1	3.4	1.7	0.9
1982	−4.6	2.9	−4.8	−12.2	−12.1	−8.4	−15.5	−11.2	0.1	−3.0	−6.7	−11.4	−3.2	0.6	−0.0	3.3	−5.9	−6.1	−9.9	−1.5	2.1	−10.7
1983	2.6	1.8	2.7	5.8	6.2	5.2	7.2	−2.5	3.7	2.2	3.0	2.7	3.2	1.3	1.3	1.4	2.9	2.9	4.4	1.7	1.3	5.9

Source: Statistics Canada, *Indexes of Real Gross Domestic Product by Industry, monthly and annual*, cat. 61-213.

Reference Table 26

Main Components of the Labour Market(1) 1966 – 1983(2)

Year	Population 15 years and over	Labour force			Employment			Unemployment	Total immigration	Immigrants destined to the labour force
		Total	Male	Female	Total	Male	Female			
D	767284 — 767867	767285 767808 767870	767417 767681 767864	767549 767748 768001	767286 767808 767868	767418 767683 767874	767550 767750 768019	767287 767809 767861	56	96
					(Thousands of persons)					
1966	13,083	7,493	5,147	2,346	7,242	4,975	2,267	251	195	99
1967	13,444	7,747	5,261	2,485	7,451	5,058	2,393	296	223	120
1968	13,805	7,951	5,354	2,597	7,593	5,110	2,483	358	184	96
1969	14,162	8,194	5,465	2,728	7,832	5,230	2,601	362	162	84
1970	14,528	8,395	5,571	2,824	7,919	5,260	2,660	476	148	78
1971	14,872	8,639	5,667	2,972	8,104	5,329	2,775	535	122	61
1972	15,186	8,897	5,797	3,101	8,344	5,460	2,885	553	122	59
1973	15,526	9,276	5,973	3,303	8,761	5,678	3,083	515	184	92
1974	15,924	9,639	6,163	3,477	9,125	5,870	3,255	514	218	106
1975	16,323	9,974	6,294	3,680	9,284	5,903	3,381	690	188	81
1976	16,701	10,203	6,368	3,836	9,477	5,964	3,513	726	146	60
1977	17,051	10,500	6,505	3,996	9,651	6,032	3,619	849	115	48
1978	17,377	10,895	6,657	4,239	9,987	6,156	3,830	908	86	35
1979	17,702	11,231	6,811	4,420	10,395	6,362	4,033	836	112	48
1980	18,053	11,573	6,935	4,638	10,708	6,459	4,249	865	143	64
1981	18,375	11,904	7,053	4,851	11,006	6,559	4,447	898	129	57
1982	18,664	11,958	7,031	4,926	10,644	6,254	4,390	1,314	121	55
1983	18,917	12,183	7,098	5,084	10,734	6,240	4,495	1,448	89	37
				(Percentage change)					(Change)	
1967	2.8	3.4	2.2	5.9	2.9	1.7	5.6	45	28	20
1968	2.7	2.6	1.8	4.5	1.9	1.0	3.8	62	−39	−24
1969	2.6	3.1	2.1	5.0	3.1	2.3	4.8	4	−22	−11
1970	2.6	2.5	1.9	3.5	1.1	0.6	2.3	114	−14	−7
1971	2.4	2.9	1.7	5.2	2.3	1.3	4.3	59	−26	−16
1972	2.1	3.0	2.3	4.3	3.0	2.5	4.0	18	0	−2
1973	2.2	4.3	3.0	6.5	5.0	4.0	6.9	−38	62	33
1974	2.6	3.9	3.2	5.2	4.2	3.4	5.6	−1	34	14
1975	2.5	3.5	2.1	5.9	1.7	0.6	3.9	175	−31	−25
1976	2.3	2.3	1.2	4.2	2.1	1.0	3.9	36	−42	−21
1977	2.1	2.9	2.2	4.2	1.8	1.1	3.0	123	−31	−12
1978	1.9	3.8	2.3	6.1	3.5	2.1	5.8	59	−29	−12
1979	1.9	3.1	2.3	4.3	4.1	3.3	5.3	−72	26	13
1980	2.0	3.0	1.8	4.9	3.0	1.5	5.4	29	31	16
1981	1.8	2.9	1.7	4.6	2.8	1.5	4.7	33	−14	−7
1982	1.6	0.5	−0.3	1.5	−3.3	−4.7	−1.3	416	−7	−1
1983	1.4	1.9	1.0	3.2	0.8	−0.2	2.4	134	−32	−18

(1) Small differences in totals may arise due to rounding.

(2) Labour Force Survey data were first collected under the revised Labour Force Survey in January, 1975. In January, 1976, the Revised Survey replaced the former Survey. Revised data have been estimated back to 1966. The former Labour Force Survey data (1954-1975) may be found in the 1976 edition of this *Review*.

Source: Statistics Canada, *The Labour Force*, annual, cat. 71-001, and *Historical Labour Force Statistics*, annual, cat. 71-201; Department of Employment and Immigration, *Immigration Statistics*, *Quarterly Immigration Bulletin*.

Reference Table 27
Participation and Unemployment Rates by Sex and Age Groups
1966 – 1983[1]

Year	Participation rates						
	Male			Female			
	Total	15-24	25+	Total	15-24	25+	Total
D	767420 767685 767865	767430 767687 768143	767389 767656 767129	767552 767752 768005	767562 767783 768171	767521 767730 767165	767288 767610 767860
				(Per cent)			
1966	79.8	64.1	84.9	35.4	48.4	31.2	57.3
1967	79.3	64.1	84.5	36.5	49.1	32.3	57.6
1968	78.6	63.3	84.0	37.1	49.8	32.8	57.6
1969	78.3	62.7	83.8	38.0	50.2	33.8	57.9
1970	77.8	62.5	83.3	38.3	49.5	34.5	57.8
1971	77.3	62.7	82.7	39.4	50.8	35.4	58.1
1972	77.5	64.4	82.3	40.2	51.8	36.2	58.6
1973	78.2	66.8	82.3	41.9	54.2	37.6	59.7
1974	78.7	68.9	82.2	43.0	56.0	38.5	60.5
1975	78.4	68.6	81.9	44.4	56.8	40.0	61.1
1976	77.6	67.9	81.1	45.2	56.8	41.1	61.1
1977	77.7	68.9	80.9	46.0	57.5	42.1	61.6
1978	78.1	69.7	81.1	47.9	58.0	44.1	62.7
1979	78.5	71.3	81.0	49.0	61.0	45.0	63.4
1980	78.4	71.8	80.7	50.4	62.6	46.4	64.1
1981	78.4	72.3	80.5	51.7	63.2	48.1	64.8
1982	77.0	69.3	79.5	51.7	62.3	48.5	64.1
1983	76.7	68.2	79.1	52.6	62.8	49.6	64.4

	Unemployment rates						
	Male			Female			
	Total	15-24	25+	Total	15-24	25+	Total
	767421 767686 767866	767431 767688 768146	767390 767657 767130	767553 767753 768006	767563 767784 768174	767522 767731 767166	767289 767611 767863
				(Per cent)			
1966	3.3	6.3	2.6	3.4	4.8	2.7	3.4
1967	3.9	7.2	3.0	3.7	5.5	2.8	3.8
1968	4.6	8.7	3.5	4.4	6.5	3.3	4.5
1969	4.3	8.3	3.2	4.7	6.5	3.7	4.4
1970	5.6	11.2	4.1	5.8	8.6	4.4	5.7
1971	6.0	12.0	4.3	6.6	9.8	5.0	6.2
1972	5.8	11.9	4.1	7.0	9.6	5.7	6.2
1973	4.9	10.0	3.4	6.7	9.2	5.4	5.5
1974	4.8	9.6	3.3	6.4	8.9	5.1	5.3
1975	6.2	12.5	4.3	8.1	11.4	6.5	6.9
1976	6.3	13.2	4.2	8.4	12.1	6.6	7.1
1977	7.3	14.9	4.9	9.4	13.8	7.4	8.1
1978	7.5	15.0	5.2	9.6	13.8	7.7	8.3
1979	6.6	13.2	4.5	8.8	12.7	7.0	7.4
1980	6.9	13.7	4.8	8.4	12.7	6.5	7.5
1981	7.0	14.1	4.8	8.3	12.3	6.7	7.5
1982	11.1	21.1	8.2	10.9	16.1	8.8	11.0
1983	12.1	22.4	9.2	11.6	17.0	9.6	11.9

[1] See note 2 on reference table 26.

Source: Statistics Canada, *The Labour Force* and *Historical Labour Force Statistics*.

Reference Table 28
Participation Rates, Canada and by Region
1966 – 1983(1)

Year	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
D	767880		768841	768904		769822
			(Labour force as a percentage of population 15 years and over)			
1966	57.3	50.4	56.0	59.8	58.3	56.7
1967	57.6	50.4	56.4	60.2	58.3	57.5
1968	57.6	50.0	55.6	60.3	58.5	57.6
1969	57.9	49.9	55.9	60.5	59.7	58.2
1970	57.8	49.3	56.4	60.5	60.0	58.7
1971	58.1	49.8	56.0	60.9	60.0	58.3
1972	58.6	50.5	55.9	61.7	60.8	58.8
1973	59.7	52.3	57.6	62.4	61.8	59.6
1974	60.5	53.4	58.0	63.4	62.8	60.3
1975	61.1	53.5	58.5	64.1	63.0	61.1
1976	61.1	53.4	58.3	63.9	63.8	61.3
1977	61.6	53.6	58.9	64.3	64.4	61.6
1978	62.7	54.7	59.9	65.4	65.5	63.0
1979	63.4	55.2	60.2	66.5	66.5	63.2
1980	64.1	55.8	61.2	66.7	67.5	64.1
1981	64.8	55.9	61.5	67.6	68.5	65.1
1982	64.1	55.8	60.0	67.3	68.2	64.3
1983	64.4	55.6	60.9	67.1	68.7	64.1

(1) See note 2 on reference table 26.

Source: Statistics Canada, *The Labour Force*, and *Historical Labour Force Statistics*.

Reference Table 29
Labour Force, Canada and by Region
1966 – 1983[1]

Year	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
D	767670		768638	768801		768819						
	(Thousands of persons)						(Per cent change)					
1966	7,493	615	2,113	2,787	1,262	716	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1967	7,747	626	2,184	2,891	1,286	759	3.4	1.8	3.4	3.8	1.9	6.0
1968	7,951	635	2,205	2,980	1,342	789	2.6	1.5	0.9	3.1	4.3	4.0
1969	8,194	647	2,264	3,077	1,376	830	3.1	1.9	2.7	3.3	2.6	5.2
1970	8,395	652	2,288	3,177	1,407	871	2.5	0.7	1.1	3.2	2.2	5.0
1971	8,639	673	2,347	3,290	1,429	899	2.9	3.3	2.6	3.6	1.6	3.2
1972	8,897	696	2,383	3,410	1,471	938	3.0	3.4	1.5	3.6	2.9	4.3
1973	9,276	736	2,499	3,532	1,522	987	4.3	5.8	4.9	3.6	3.5	5.2
1974	9,639	767	2,570	3,688	1,576	1,040	3.9	4.1	2.8	4.4	3.6	5.4
1975	9,974	787	2,647	3,818	1,635	1,087	3.5	2.6	3.0	3.6	3.7	4.5
1976	10,206	805	2,689	3,885	1,712	1,116	2.3	2.3	1.6	1.7	4.7	2.6
1977	10,500	821	2,760	3,987	1,785	1,148	2.9	2.2	2.6	2.7	4.2	2.8
1978	10,895	850	2,836	4,133	1,871	1,202	3.8	3.5	2.8	3.7	4.8	4.7
1979	11,231	871	2,896	4,271	1,952	1,239	3.1	2.5	2.1	3.3	4.3	3.1
1980	11,573	894	2,986	4,350	2,041	1,301	3.1	2.6	3.1	1.9	4.5	5.0
1981	11,904	905	3,040	4,464	2,134	1,361	2.9	1.2	1.7	2.6	4.6	4.7
1982	11,958	904	2,998	4,508	2,178	1,370	0.5	−0.1	−1.4	1.0	2.0	0.6
1983	12,183	927	3,069	4,570	2,228	1,389	1.9	2.6	2.4	1.4	2.3	1.4

[1] See note 2 on reference table 26.

Source: Statistics Canada, *The Labour Force*, and *Historical Labour Force Statistics*.

Reference Table 30
Employment, Canada and by Region
1966 – 1983[1]

Year	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
D	767888		769839	769002		769820						
	(Thousands of persons)						(Per cent change)					
1966	7,242	583	2,027	2,714	1,233	684	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1967	7,451	593	2,085	2,799	1,254	720	2.9	1.5	2.8	3.1	1.7	5.3
1968	7,593	598	2,081	2,873	1,299	742	1.9	0.9	−0.2	2.6	3.5	3.1
1969	7,832	607	2,126	2,979	1,331	788	3.1	1.5	2.2	3.7	2.5	6.2
1970	7,919	612	2,128	3,037	1,337	805	1.1	0.8	0.1	2.0	0.4	2.1
1971	8,104	626	2,175	3,113	1,356	834	2.3	2.3	2.2	2.5	1.4	3.7
1972	8,344	642	2,206	3,239	1,394	865	3.0	2.5	1.4	4.1	2.8	3.7
1973	8,761	679	2,330	3,380	1,451	920	5.0	5.9	5.7	4.4	4.1	6.4
1974	9,125	702	2,401	3,523	1,523	976	4.2	3.3	3.0	4.2	5.0	6.0
1975	9,284	710	2,434	3,576	1,571	995	1.7	1.1	1.4	1.5	3.1	1.9
1976	9,479	718	2,456	3,645	1,641	1,020	2.1	1.1	0.9	1.9	4.5	2.5
1977	9,651	718	2,476	3,708	1,699	1,050	1.8	0.3	0.8	1.8	3.5	2.9
1978	9,987	745	2,530	3,835	1,774	1,103	3.5	3.8	2.2	3.4	4.4	5.0
1979	10,395	770	2,619	3,983	1,868	1,145	4.1	3.4	3.5	4.1	5.3	3.8
1980	10,708	795	2,694	4,053	1,953	1,213	3.0	3.3	2.8	1.5	4.6	6.0
1981	11,006	801	2,726	4,171	2,038	1,270	2.8	0.7	1.2	2.9	4.4	4.7
1982	10,644	775	2,585	4,067	2,013	1,204	−3.3	−3.2	−5.2	−2.5	−1.2	−5.2
1983	10,734	789	2,642	4,096	2,001	1,197	0.9	1.7	2.2	0.7	−0.1	−0.6

[1] See note 2 on reference table 26.

Source: Statistics Canada, *The Labour Force*, and *Historical Labour Force Statistics*.

Reference Table 31

Estimates of Employees by Industry 1961 – 1983[1]

Year	Non-agri-cultural total	Mines, quarries and oil wells	Manu-facturing	Con-struction	Transpor-tation, storage and communi-cations	Trade	Finance, insurance and real estate	Commu-nity business and personal services	Public administra-tion and defence
D	738303	736171	736184	736197	736210	736223	736236	736249	736288
					(Thousands)				
1961	4,719	108	1,306	282	581	758	196	1,079	333
1962	4,924	109	1,368	300	583	791	207	1,143	342
1963	5,097	107	1,416	308	592	821	220	1,209	346
1964	5,345	108	1,486	332	604	854	232	1,292	355
1965	5,626	115	1,554	367	622	898	241	1,384	364
1966	5,922	117	1,637	392	641	944	249	1,482	379
1967	6,101	119	1,641	376	658	968	266	1,589	401
1968	6,235	121	1,638	372	646	1,002	283	1,684	415
1969	6,490	119	1,678	379	661	1,057	300	1,800	424
1970	6,592	128	1,648	366	667	1,081	306	1,878	447
1971	6,743	126	1,640	390	685	1,114	316	1,929	475
1972	7,009	123	1,680	404	699	1,186	343	2,009	501
1973	7,397	127	1,775	428	719	1,262	373	2,104	536
1974	7,769	132	1,836	446	764	1,347	405	2,205	558
1975	7,874	131	1,755	451	764	1,381	423	2,310	592
1976	8,006	136	1,773	455	779	1,401	434	2,358	606
1977	8,225	142	1,775	466	795	1,413	472	2,469	621
1978	8,391	140	1,803	436	803	1,467	488	2,545	633
1979	8,691	151	1,874	466	819	1,515	502	2,656	625
1980	8,877	170	1,852	456	843	1,555	517	2,766	636
1981	9,188	178	1,884	475	850	1,629	533	2,933	628
1982	8,892	156	1,709	412	827	1,576	535	2,965	647
1983	—	—	—	—	—	—	—	—	—
					(Per cent change)				
1962	4.4	1.2	4.8	6.1	0.5	4.4	5.8	6.0	2.5
1963	3.5	– 1.8	3.5	2.7	1.4	3.8	6.0	5.8	1.2
1964	4.9	1.1	4.9	7.9	2.1	4.0	5.4	6.9	2.5
1965	5.3	6.3	4.6	10.4	2.9	5.2	3.8	7.0	2.6
1966	5.3	2.2	5.3	6.8	3.0	5.0	3.4	7.1	4.0
1967	3.0	1.4	0.2	– 3.9	2.7	2.6	6.8	7.2	5.9
1968	2.2	1.7	– 0.2	– 1.0	– 1.8	3.5	6.4	6.0	3.4
1969	4.1	– 1.8	2.4	1.8	2.3	5.5	6.0	6.9	2.1
1970	1.6	7.3	– 1.8	– 3.3	1.1	2.3	2.1	4.3	5.5
1971	2.3	– 1.4	– 0.5	6.4	2.7	3.1	3.5	2.7	6.3
1972	3.9	– 2.1	2.5	3.6	2.0	6.4	8.4	4.2	5.4
1973	5.5	3.0	5.6	6.0	2.9	6.5	8.9	4.7	7.0
1974	5.0	4.0	3.5	4.2	6.2	6.7	8.6	4.8	4.3
1975	1.3	– 0.4	– 4.5	1.1	0.0	2.5	4.4	4.8	6.1
1976	1.7	3.8	1.0	1.0	2.0	1.5	2.7	2.1	2.4
1977	2.7	3.8	0.1	2.4	2.0	0.9	8.7	4.7	2.4
1978	2.0	– 1.4	1.6	– 6.5	1.0	3.8	3.4	3.1	2.0
1979	3.6	8.0	3.9	6.8	2.1	3.3	2.9	4.4	– 1.2
1980	2.1	12.8	– 1.2	– 2.1	2.8	2.6	2.9	4.1	1.7
1981	3.5	4.6	1.8	4.3	0.8	4.7	3.1	6.0	– 1.1
1982	– 3.2	– 12.5	– 9.3	– 13.4	– 2.7	– 3.2	0.3	1.1	2.9
1983	—	—	—	—	—	—	—	—	—

[1] A revised monthly survey of Employment, Payrolls and Hours became effective with the April 1983 reference month. Due to this break in the surveys, a 1983 annual average cannot be calculated.

Source: Statistics Canada, *Estimates of Employees by Province and Industry*, cat. 72-008.

Reference Table 32
Unemployment, Canada and by Region
1966 – 1983[1]

Year	Unemployed						Unemployment rate					
	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
D	767891		769840	769903		769921	767863		769842	769905		769923
	(Thousands of persons)						(Per cent)					
1966	251	33	86	72	30	33	3.4	5.4	4.1	2.6	2.4	4.6
1967	296	33	100	92	30	39	3.8	5.3	4.6	3.2	2.5	5.1
1968	358	38	124	107	43	47	4.5	6.0	5.6	3.6	3.2	5.9
1969	362	40	137	99	45	42	4.4	6.2	6.1	3.2	3.3	5.0
1970	476	40	160	139	70	67	5.7	6.2	7.0	4.4	4.9	7.7
1971	535	46	171	178	74	65	6.2	7.0	7.3	5.4	5.2	7.2
1972	553	54	178	171	78	73	6.2	7.7	7.5	5.0	5.3	7.8
1973	515	57	169	152	71	66	5.5	7.8	6.8	4.3	4.7	6.7
1974	514	65	169	164	53	64	5.3	8.4	6.6	4.4	3.4	6.2
1975	690	77	214	242	65	92	6.9	9.8	8.1	6.3	3.9	8.5
1976	727	88	233	240	71	96	7.1	10.9	8.7	6.2	4.1	8.6
1977	849	103	284	278	87	98	8.1	12.5	10.3	7.0	4.9	8.5
1978	909	105	308	298	97	99	8.3	12.4	10.9	7.2	5.2	8.2
1979	836	102	278	278	84	95	7.4	11.7	9.6	6.5	4.3	7.7
1980	865	98	294	297	88	88	7.5	11.0	9.8	6.8	4.3	6.8
1981	898	104	314	293	96	91	7.5	11.5	10.3	6.6	4.5	6.7
1982	1,314	129	413	440	165	166	11.0	14.2	13.8	9.8	7.6	12.1
1983	1,448	139	427	474	217	192	11.9	15.0	13.9	10.4	9.7	13.8

(1) See note 2 on reference table 26.

Source: Statistics Canada, *The Labour Force*, and *Historical Labour Force Statistics*.

Reference Table 33
Unemployed Persons by Family Status, Canada
1961 – 1983[1]

Year	Total unemployed	Members of family units: Total	Members of family units: Heads of units	Members of family units: Single child	Members of family units: Other relatives[3]	Members of family units: Spouses	Non-members of family units	Total unemployed	Members of family units: Total	Members of family units: Heads of units	Members of family units: Single child	Members of family units: Other relatives[3]	Members of family units: Spouses	Non-members of family units
D	767287	773576	773577	773579	773580	773578	773581							
	(Thousands of persons, annual averages)							(Change)						
	Former Labour Force Survey													
1961	497	454	230	168	56	n.a.	43							
1962	405	371	187	138	45	n.a.	35	–92	–83	–43	–30	–11	n.a.	–8
1963	390	357	174	132	51	n.a.	34	–15	–14	–13	–6	6	n.a.	–1
1964	348	319	148	123	47	n.a.	30	–42	–38	–26	–9	–4	n.a.	–4
1965	298	273	127	105	41	n.a.	25	–50	–46	–21	–18	–6	n.a.	–5
1966[2]	251	252	113	101	37	n.a.	23	n.a.	–21	–14	–4	–4	n.a.	–2
1967	296	294	134	114	46	n.a.	27	45	42	21	13	9	n.a.	4
1968	358	354	155	144	55	n.a.	36	62	60	21	30	9	n.a.	9
1969	362	359	146	150	63	n.a.	32	4	5	–9	6	8	n.a.	–4
1970	476	444	183	190	72	n.a.	47	114	85	37	40	9	n.a.	15
1971	535	516	212	213	91	n.a.	56	59	72	29	23	19	n.a.	9
1972	552	509	202	215	93	n.a.	61	17	–7	–10	2	2	n.a.	5
1973	515	453	169	190	95	n.a.	67	–37	–56	–33	–25	3	n.a.	6
1974	514	462	171	197	93	n.a.	64	–1	9	2	7	–2	n.a.	–3
1975	690	624	241	252	131	n.a.	87	176	162	70	55	38	n.a.	23
	Revised Labour Force Survey													
1975	690	609	194	221	28	167	80	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1976	726	640	191	239	33	176	86	36	31	–3	18	5	9	6
1977	849	751	224	279	40	208	99	123	111	33	40	7	32	13
1978	908	798	247	286	41	224	110	59	47	23	7	1	16	11
1979	836	740	223	274	38	205	96	–72	–58	–24	–12	–3	–19	–14
1980	865	762	238	284	39	201	103	29	22	15	10	1	–4	7
1981	898	788	242	291	40	215	110	33	26	4	7	1	14	7
1982	1,314	1,154	409	397	61	286	160	416	366	164	106	21	71	50
1983	1,448	1,259	453	420	72	315	189	134	105	44	23	11	29	29

[1] These data have not been linked back over the years prior to 1975, when the former Labour Force Survey was in effect; as a result, both sets of data are presented here.

[2] Only the total unemployed data for 1966 to 1975 are as revised by Statistics Canada; the other figures for that period therefore do not add exactly to the stated total.

[3] Prior to 1975 this includes spouses.

Source: Statistics Canada, *The Labour Force*.

Reference Table 34

Family Units with One or More Unemployed Persons by the Number of Employed Persons in the Family Unit, Canada 1961 – 1983(1)

			One or more persons in unit employed						One or more persons in unit employed			
Year	Units with some unemployed	No persons in unit employed	Total	One employed	Two employed(2)	Three or more employed	Units with some unemployment	No persons in unit employed	Total	One employed	Two employed(2)	Three or more employed
	(Thousands of family units, annual averages)						(Change)					
	Former Labour Force Survey											
1961	394	177	217	132	57	28						
1962	331	148	183	112	46	25	−63	−29	−34	−20	−11	−3
1963	315	138	179	108	46	26	−16	−10	−4	0	0	1
1964	284	115	170	99	48	23	−31	−23	−9	−9	2	−3
1965	245	96	149	87	40	22	−39	−19	−21	−12	−8	−1
1966	229	87	142	83	39	19	−16	−9	−7	−4	−1	−3
1967	248	100	168	100	44	24	19	13	26	17	5	5
1968	319	119	200	119	54	28	71	19	32	19	10	4
1969	320	113	207	122	54	31	1	−6	7	3	0	3
1970	396	141	256	157	69	30	76	28	49	35	15	−1
1971	461	165	295	181	77	39	65	24	39	24	8	9
1972	456	159	297	186	76	36	−5	−6	2	5	−1	−3
1973	408	128	281	172	70	39	−48	−31	−16	−14	−6	3
1974	412	135	276	170	70	36	4	7	−5	−2	0	−3
1975	547	185	362	228	92	43	135	50	86	58	22	7
	Revised Labour Force Survey											
1975	543	152	390	259	131	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1976	569	153	412	271	141	n.a.	22	1	22	12	10	n.a.
1977	658	175	483	316	169	n.a.	93	22	71	45	26	n.a.
1978	699	185	515	336	179	n.a.	41	10	32	20	12	n.a.
1979	652	169	483	316	167	n.a.	−47	−16	−32	−20	−12	n.a.
1980	671	176	495	318	177	n.a.	19	7	12	2	10	n.a.
1981	694	178	515	333	182	n.a.	23	2	20	15	5	n.a.
1982	986	281	705	466	239	n.a.	292	103	190	133	57	n.a.
1983	1,072	316	755	506	249	n.a.	86	35	50	40	10	n.a.

(1) See note 1 on reference table 33.

(2) On revised Labour Force Survey this column reads "two or more employed".

Source: Statistics Canada, *The Labour Force*.

Reference Table 35

Help-Wanted Index, Canada and Regions
1963 – 1983
(1981 = 100)

Year	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
D	736315	736316	736317	736318	736319	736320
1963	41	85	67	30	24	12
1964	48	91	78	38	30	16
1965	59	131	86	50	35	20
1966	63	138	88	56	41	22
1967	54	123	73	47	41	19
1968	48	99	62	46	32	20
1969	57	94	73	57	38	29
1970	48	76	64	48	31	22
1971	50	83	68	48	33	24
1972	64	88	80	68	43	33
1973	80	118	97	86	54	48
1974	108	231	137	98	79	64
1975	91	213	132	69	66	44
1976	84	125	129	62	68	43
1977	82	148	124	60	61	42
1978	85	111	133	66	65	43
1979	93	109	115	88	88	55
1980	96	111	116	89	92	71
1981	100	101	100	100	99	99
1982	49	66	50	52	43	35
1983	45	92	54	46	30	26
			(Per cent change)			
1964	19.3	7.2	16.2	26.2	23.6	35.0
1965	21.2	44.4	10.3	32.0	16.1	26.9
1966	7.0	5.3	2.2	12.0	16.9	7.8
1967	– 13.7	– 11.3	– 16.6	– 15.5	0.4	– 13.3
1968	– 11.4	– 19.1	– 15.8	– 1.9	– 19.7	6.6
1969	18.9	–5.5	17.7	24.1	14.2	40.6
1970	– 16.4	– 19.5	– 12.4	– 17.1	– 16.6	– 24.2
1971	3.8	9.4	6.3	–0.2	3.7	11.5
1972	28.9	6.4	18.1	43.3	30.8	35.2
1973	25.8	34.4	21.1	25.8	26.5	46.4
1974	34.8	95.8	42.1	13.8	46.5	32.8
1975	– 15.8	–7.9	–4.1	–28.9	– 16.7	–31.1
1976	–8.3	–41.5	–2.3	– 10.8	3.2	– 1.9
1977	–2.4	18.6	–3.5	–2.7	– 10.5	– 1.2
1978	4.5	–25.1	7.4	9.3	7.8	1.0
1979	8.8	– 1.3	– 14.2	34.1	34.1	29.0
1980	3.7	1.7	1.0	1.3	4.7	26.7
1981	3.3	–9.1	– 14.0	11.5	8.1	39.5
1982	–51.2	–34.3	–49.6	–47.4	–57.0	–64.7
1983	–6.5	39.3	7.5	– 12.1	–30.8	–25.5

Source: Statistics Canada, *Canadian Statistical Review*, cat. 11-003.

Reference Table 36

Index of Productivity and Costs: Commercial Non-Agricultural Industries 1961 – 1982 (1971 = 100)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per unit of output
D	143231	240203	240263	240557	240323	240353	240587	240647
1961	56.5	75.1	79.7	43.1	75.2	70.9	57.3	76.2
1962	60.2	77.7	82.7	45.7	77.5	72.8	58.8	75.8
1963	63.4	79.9	84.6	48.4	79.4	74.9	60.6	76.4
1964	68.7	83.4	88.3	52.5	82.2	77.7	63.0	76.5
1965	74.1	88.1	92.9	58.4	84.1	79.8	66.3	78.8
1966	79.0	92.3	96.2	65.6	85.6	82.1	71.1	83.0
1967	82.2	93.9	97.4	71.6	87.5	84.4	76.3	87.2
1968	86.8	94.3	96.8	76.5	92.1	89.7	81.1	88.1
1969	92.3	97.7	99.4	85.0	94.4	92.9	86.9	92.1
1970	94.3	98.1	98.9	91.3	96.1	95.4	93.0	96.8
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	107.4	104.1	103.7	111.5	103.1	103.5	107.1	103.8
1973	116.8	110.0	109.5	129.6	106.2	106.7	117.8	111.0
1974	123.0	115.8	114.5	154.8	106.2	107.5	133.7	125.8
1975	123.0	117.0	114.6	178.4	105.1	107.3	152.5	145.1
1976	130.1	119.1	116.1	206.4	109.0	111.7	173.4	159.1
1977	134.0	122.1	117.5	226.1	109.6	113.9	185.2	169.0
1978	139.2	125.6	121.5	245.5	110.7	114.4	195.4	176.5
1979	146.4	131.2	126.2	277.7	110.1	114.5	211.7	192.3
1980	148.0	134.2	128.6	312.2	109.3	114.2	232.6	212.7
1981	152.4	138.8	131.9	359.4	108.8	114.4	259.0	238.2
1982	143.0	132.9	124.1	377.8	106.1	113.7	284.3	267.9
				(Per cent change)				
1962	6.5	3.5	3.8	6.0	3.1	2.7	2.6	−0.5
1963	5.3	2.8	2.3	5.9	2.5	2.9	3.1	0.8
1964	8.2	4.4	4.4	8.5	3.5	3.7	4.0	0.1
1965	8.0	5.6	5.2	11.2	2.3	2.7	5.2	3.0
1966	6.6	4.8	3.6	12.3	1.8	2.9	7.2	5.3
1967	4.1	1.7	1.2	9.1	2.2	2.8	7.3	5.1
1968	5.6	0.4	−0.6	6.8	5.3	6.3	6.3	1.0
1969	6.3	3.6	2.7	11.1	2.5	3.6	7.2	4.5
1970	2.2	0.4	−0.5	7.4	1.8	2.7	7.0	5.1
1971	6.0	1.9	1.1	9.5	4.1	4.8	7.5	3.3
1972	7.4	4.1	3.7	11.5	3.1	3.5	7.1	3.8
1973	8.8	5.7	5.6	16.2	3.0	3.1	10.0	6.9
1974	5.3	5.3	4.6	19.4	0.0	0.7	13.5	13.3
1975	0.0	1.0	0.1	15.2	−1.0	−0.2	14.1	15.3
1976	5.8	1.8	1.3	15.7	3.7	4.1	13.7	9.6
1977	3.0	2.5	1.2	9.5	0.6	2.0	6.8	6.2
1978	3.9	2.9	3.4	8.6	1.0	0.4	5.5	4.4
1979	5.2	4.5	3.8	13.1	−0.5	0.1	8.3	9.0
1980	1.1	2.3	2.0	12.4	−0.7	−0.3	9.9	10.6
1981	3.0	3.4	2.6	15.1	−0.5	0.2	11.4	12.0
1982	−6.2	−4.3	−5.9	5.1	−2.5	−0.6	9.8	12.5

Source: Statistics Canada, *Aggregate Productivity Measures*, annual, cat. 14-201. Data for Output prior to 1971 is based on Statistics Canada, *Indexes of Real Domestic Product by Industry*, monthly, cat. 61-005.

Reference Table 37

Index of Productivity and Costs:
Commercial Non-Agricultural Goods-Producing Industries
1961 – 1982
(1971 = 100)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per unit of output
D	143239	240204	240264	240558	240324	240354	240588	240648
1961	55.6	82.7	84.7	44.7	67.2	65.6	54.0	80.4
1962	60.0	85.3	88.3	47.6	70.4	67.9	55.9	79.4
1963	63.3	87.2	90.1	50.3	72.6	70.3	57.7	79.5
1964	69.1	91.3	94.7	54.9	75.7	73.0	60.2	79.5
1965	75.2	96.3	100.0	61.5	78.1	75.2	63.9	81.7
1966	80.8	100.7	104.1	69.5	80.2	77.6	69.1	86.1
1967	83.2	100.3	102.7	74.6	83.0	81.0	74.4	89.7
1968	88.2	99.7	101.8	79.0	88.5	86.6	79.3	89.5
1969	93.7	101.4	102.6	86.6	92.4	91.3	85.4	92.4
1970	94.7	99.3	100.2	91.5	95.4	94.5	92.2	96.6
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	106.7	102.5	102.6	109.8	104.0	104.0	107.1	103.0
1973	116.4	108.0	107.9	129.2	107.8	107.9	119.6	110.9
1974	120.1	111.0	110.3	154.0	108.2	108.8	138.7	128.2
1975	115.1	109.2	107.5	174.2	105.4	107.0	159.5	151.4
1976	122.0	110.5	108.7	200.6	109.7	111.5	181.6	165.5
1977	124.3	110.0	107.6	219.4	112.2	114.7	199.5	177.8
1978	127.4	111.3	109.3	234.9	113.9	116.0	211.0	185.3
1979	134.4	116.3	113.8	265.7	114.9	117.4	228.4	198.9
1980	132.6	116.3	113.4	293.1	113.3	116.1	252.1	222.6
1981	134.8	117.7	114.3	337.8	114.6	118.0	286.9	250.5
1982	120.1	107.1	102.2	337.9	112.8	118.2	315.5	279.8
				(Per cent change)				
1962	7.9	3.1	4.3	6.5	4.8	3.3	3.5	– 1.2
1963	5.5	2.2	2.0	5.7	3.1	3.5	3.2	0.1
1964	9.2	4.7	5.1	9.1	4.3	3.8	4.3	0.0
1965	8.8	5.5	5.6	12.0	3.2	3.0	6.1	2.8
1966	7.4	4.6	4.1	13.0	2.7	3.2	8.1	5.4
1967	3.0	– 0.4	– 1.3	7.3	3.5	4.4	7.7	4.2
1968	6.0	– 0.6	– 0.9	5.9	6.6	6.9	6.6	– 0.2
1969	6.2	1.7	0.8	9.6	4.4	5.4	7.7	3.2
1970	1.1	– 2.1	– 2.3	5.7	3.2	3.5	8.0	4.5
1971	5.6	0.7	– 0.2	9.3	4.8	5.8	8.5	3.5
1972	6.7	2.5	2.6	9.8	4.0	4.0	7.1	3.0
1973	9.1	5.4	5.2	17.7	3.7	3.7	11.7	7.7
1974	3.2	2.8	2.2	19.2	0.4	0.8	16.0	15.6
1975	– 4.2	– 1.6	– 2.5	13.1	– 2.6	– 1.7	15.0	18.1
1976	6.0	1.2	1.1	15.2	4.1	4.2	13.9	9.3
1977	1.9	– 0.5	– 1.0	9.4	2.3	2.9	9.9	7.4
1978	2.5	1.2	1.6	7.1	1.5	1.1	5.7	4.2
1979	5.5	4.5	4.1	13.1	0.9	1.2	8.2	7.3
1980	– 1.3	0.0	– 0.4	10.3	– 1.4	– 1.1	10.4	11.9
1981	1.7	1.2	0.8	15.3	1.1	1.6	13.8	12.5
1982	– 10.9	– 9.0	– 10.6	0.0	– 1.6	0.2	10.0	11.7

Source: Statistics Canada, *Aggregate Productivity Measures.*

Reference Table 38

Index of Productivity and Costs: Commercial Services-Producing Industries
1961 – 1982
(1971 = 100)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per unit of output
D	143240	240202	240262	240556	240322	240352	240586	240646
1961	57.5	69.2	75.7	41.5	83.1	76.0	59.9	72.2
1962	60.5	71.7	78.2	43.7	84.3	77.3	61.0	72.3
1963	63.5	74.2	80.3	46.6	85.6	79.1	62.8	73.4
1964	68.2	77.3	83.2	50.2	88.2	82.0	64.9	73.6
1965	73.1	81.8	87.3	55.4	89.4	83.7	67.8	75.8
1966	77.3	85.8	90.0	61.8	90.0	85.9	72.0	79.9
1967	81.4	89.0	93.2	68.7	91.4	87.3	77.2	84.4
1968	85.5	90.1	92.8	74.0	94.9	92.1	82.2	86.6
1969	91.0	94.9	96.8	83.4	95.9	94.0	87.8	91.6
1970	94.0	97.2	97.8	91.0	96.7	96.1	93.7	96.8
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	108.0	105.3	104.7	113.1	102.5	103.2	107.3	104.7
1973	117.1	111.6	110.8	130.0	105.0	105.7	116.5	111.0
1974	125.7	119.5	117.7	155.7	105.2	106.8	130.2	123.9
1975	130.1	123.1	120.3	182.5	105.7	108.2	148.3	140.3
1976	137.3	125.7	122.0	212.1	109.2	112.6	168.7	154.4
1977	142.6	131.5	125.4	232.7	108.7	114.1	176.9	162.7
1978	149.7	136.8	131.4	255.8	109.7	114.2	187.0	170.5
1979	157.1	142.8	136.1	289.4	109.9	115.4	202.7	184.4
1980	161.8	148.2	140.8	331.0	108.1	113.8	223.3	206.5
1981	168.2	155.2	146.0	380.6	106.5	113.2	245.3	230.3
1982	163.6	153.1	141.8	417.2	103.9	112.2	272.5	262.1
				(Per cent change)				
1962	5.2	3.6	3.3	5.3	1.4	1.7	1.8	0.1
1963	5.0	3.5	2.7	6.6	1.5	2.3	3.0	1.4
1964	7.4	4.2	3.6	7.7	3.0	3.7	3.3	0.4
1965	7.2	5.8	4.9	10.4	1.4	2.1	4.5	3.0
1966	5.7	4.9	3.1	11.6	0.7	2.6	6.2	5.4
1967	5.3	3.7	3.6	11.2	1.6	1.6	7.2	5.6
1968	5.0	1.2	−0.4	7.7	3.8	5.5	6.5	2.6
1969	6.4	5.3	4.3	12.7	1.1	2.1	6.8	5.8
1970	3.3	2.4	1.0	9.1	0.8	2.2	6.7	5.7
1971	6.4	2.9	2.2	9.9	3.4	4.1	6.7	3.3
1972	8.0	5.3	4.7	13.1	2.5	3.2	7.3	4.7
1973	8.4	6.0	5.8	14.9	2.4	2.4	8.6	6.0
1974	7.3	7.1	6.2	19.8	0.2	1.0	11.8	11.6
1975	3.5	3.0	2.2	17.2	0.5	1.3	13.9	13.2
1976	5.5	2.1	1.4	16.2	3.3	4.1	13.8	10.0
1977	3.9	4.6	2.8	9.7	−0.5	1.3	4.9	5.4
1978	5.0	4.0	4.8	9.9	0.9	0.1	5.7	4.8
1979	4.9	4.4	3.6	13.1	0.2	1.1	8.4	8.2
1980	3.0	3.8	3.5	14.4	−1.6	−1.4	10.2	12.0
1981	4.0	4.7	3.7	15.0	−1.5	−0.5	9.9	11.5
1982	−2.7	−1.4	−2.9	9.6	−2.4	−0.9	11.1	13.8

Source: Statistics Canada, Aggregate Productivity Measures.

Reference Table 39

Index of Productivity and Costs: Manufacturing Industries

1961 – 1982

(1971 = 100)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per unit of output
D	143083	240186	240246	240546	240306	240336	240576	240636
1961	54.4	83.6	84.4	46.9	65.1	64.4	56.1	86.1
1962	59.4	85.8	87.6	50.1	69.2	67.8	58.3	84.3
1963	63.4	88.0	90.1	53.3	72.1	70.4	60.6	84.1
1964	69.5	92.0	94.6	58.1	75.6	73.5	63.2	83.6
1965	75.8	96.7	99.4	64.1	78.4	76.2	66.3	84.6
1966	81.5	101.3	103.4	71.9	80.5	78.9	71.0	88.2
1967	83.9	101.7	103.1	77.2	82.5	81.4	75.9	92.0
1968	89.1	101.0	102.5	82.4	88.3	86.9	81.6	92.4
1969	95.8	102.9	104.1	89.9	93.1	92.0	87.3	93.8
1970	94.5	100.6	101.2	94.0	94.0	93.4	93.5	99.5
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	107.7	103.1	103.2	110.6	104.5	104.4	107.2	102.6
1973	119.1	107.8	107.2	126.7	110.4	111.0	117.5	106.4
1974	123.4	110.0	108.7	148.7	112.2	113.5	135.2	120.5
1975	116.2	107.5	106.1	164.0	108.0	110.6	152.6	141.2
1976	123.5	108.0	105.6	189.7	114.0	116.5	175.7	154.1
1977	125.9	105.8	103.6	206.8	118.6	121.2	195.4	164.7
1978	132.0	109.2	107.1	228.2	120.9	123.3	209.0	172.9
1979	139.6	113.2	110.2	260.3	123.6	126.9	230.0	186.1
1980	135.7	112.8	109.4	285.3	120.3	124.1	252.8	210.2
1981	137.8	113.0	109.0	326.3	122.6	127.1	288.7	235.5
1982	121.1	102.6	98.2	329.9	118.4	123.7	321.7	271.6
				(Per cent change)				
1962	9.2	2.6	3.8	6.8	6.3	5.3	3.9	−2.1
1963	6.7	2.6	2.9	6.4	4.2	3.8	3.9	−0.2
1964	9.6	4.5	5.0	9.0	4.9	4.4	4.3	−0.6
1965	9.1	5.1	5.1	10.3	3.7	3.7	4.9	1.2
1966	7.5	4.8	4.0	12.2	2.7	3.5	7.1	4.3
1967	2.9	0.4	−0.3	7.4	2.5	3.2	6.9	4.3
1968	6.2	−0.7	−0.6	6.7	7.0	6.8	7.5	0.4
1969	7.5	1.9	1.6	9.1	5.4	5.9	7.0	1.5
1970	−1.4	−2.2	−2.8	4.6	1.0	1.5	7.1	6.1
1971	5.8	−0.6	−1.2	6.4	6.4	7.1	7.0	0.5
1972	7.7	3.1	3.2	10.6	4.5	4.4	7.2	2.6
1973	10.6	4.6	3.9	14.6	5.6	6.3	9.6	3.7
1974	3.6	2.0	1.4	17.4	1.6	2.3	15.1	13.3
1975	−5.8	−2.3	−3.3	10.3	−3.7	−2.6	12.9	17.2
1976	6.3	0.5	0.5	15.7	5.6	5.3	15.1	9.1
1977	1.9	−2.0	−1.9	9.0	4.0	4.0	11.2	6.9
1978	4.8	3.2	3.4	10.3	1.9	1.7	7.0	5.0
1979	5.8	3.7	2.9	14.1	2.2	2.9	10.0	7.6
1980	−2.8	−0.4	−0.7	9.6	−2.7	−2.2	9.9	13.0
1981	1.5	0.2	−0.4	14.4	1.9	2.4	14.2	12.0
1982	−12.1	−9.2	−9.9	1.1	−3.4	−2.7	11.4	15.3

Source: Statistics Canada, *Aggregate Productivity Measures*.

Reference Table 40

Annual Average Wage Changes Provided by Major Collective Agreements (without COLA)[1] (Percentage changes on a life-of-contract basis) 1972 – 1983

Year	Total manufacturing	Manufacturing — durables	Manufacturing — non-durables	Non-manufacturing	Total commercial	Total non-commercial	All industries
1972	9.6	9.6	9.5	8.5	9.6	7.8	8.8
1973	12.2	13.0	11.5	10.7	12.1	9.9	11.0
1974	16.1	17.5	15.5	14.6	15.2	14.4	14.7
1975	16.4	15.3	17.0	19.5	17.6	19.9	19.2
1976	10.5	9.8	10.2	11.0	10.6	11.1	10.9
1977	7.8	7.7	8.0	7.9	7.9	7.9	7.9
1978	7.8	8.1	7.8	7.1	7.7	6.7	7.2
1979	9.9	10.4	9.2	8.5	9.5	8.3	8.7
1980	12.2	11.5	12.3	11.0	11.6	10.9	11.1
1981	12.6	12.8	12.1	13.3	13.9	13.1	13.3
1982	10.7	8.2	11.1	9.9	9.6	10.0	9.9
1983	5.1	4.1	5.4	5.5	5.5	5.6	5.6

[1] Agreements covering 500 or more employees (excluding construction). Percentage increases refer to base wage rates, the lowest paid classification used for qualified workers in the bargaining unit.

Source: Labour Canada, *Wage Developments Resulting from Major Collective Bargaining Settlements*, annual and quarterly.

Reference Table 41

Gross National Expenditure Implicit Price Indexes(1)
1947 – 1983
(1971 = 100)

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation: Total	Gross fixed capital formation: Government	Gross fixed capital formation: Business	Gross fixed capital formation: Housing	Exports of goods and services	Imports of goods and services	Terms of Trade	Gross national expenditure
D	40626 40673	40631 40674	40632 40675	40633 40676		40637 40680	40640 40683	40642 40684		40625 40672
1947	50.5	28.3	44.2	48.5	44.1	41.9	59.3	56.2	106.5	45.7
1948	57.3	32.3	50.1	54.4	48.6	48.1	63.6	62.8	101.3	51.3
1949	59.4	34.6	52.5	56.6	52.2	51.2	66.8	64.9	102.9	53.5
1950	61.2	36.9	54.8	58.9	54.5	53.8	69.8	69.4	100.6	54.8
1951	67.4	40.2	62.6	69.9	61.4	62.0	77.6	76.7	101.2	61.0
1952	69.0	42.0	64.6	71.5	63.6	63.1	76.7	71.3	107.6	63.7
1953	68.8	43.0	64.7	67.3	64.5	63.7	74.9	71.2	105.2	63.6
1954	69.5	44.7	64.5	67.4	64.4	63.1	74.3	71.4	104.1	64.6
1955	69.5	46.2	66.4	72.5	65.9	64.3	77.3	72.6	106.5	66.0
1956	70.6	49.4	69.9	80.3	69.6	65.3	79.4	75.0	105.9	67.4
1957	72.8	51.9	70.9	75.8	70.9	67.2	79.0	76.9	102.7	68.8
1958	74.7	53.5	70.4	71.9	71.5	67.0	78.7	78.0	100.9	69.8
1959	75.6	55.3	70.9	72.2	72.4	68.9	79.8	77.5	103.0	71.2
1960	76.3	57.3	71.9	72.8	73.0	68.2	80.3	78.2	102.7	72.1
1961	76.8	59.1	71.4	70.4	72.8	68.8	81.3	80.3	101.2	72.4
1962	77.8	60.6	72.4	71.4	74.2	68.6	84.5	84.0	100.6	73.4
1963	79.0	63.1	74.4	74.0	76.2	70.1	85.3	85.9	99.3	74.8
1964	80.0	65.2	77.0	76.3	78.8	73.0	87.1	86.6	100.6	76.6
1965	81.6	68.2	81.1	81.3	82.3	77.2	88.7	87.3	101.6	79.1
1966	84.3	72.8	85.3	85.9	85.9	82.2	91.1	89.2	102.1	82.6
1967	87.2	77.8	87.1	86.8	87.2	87.0	93.0	90.7	102.5	85.9
1968	90.8	82.2	87.7	87.0	87.9	87.9	94.3	93.0	101.4	88.7
1969	94.3	89.0	91.4	91.2	91.2	92.1	96.4	95.6	100.8	92.6
1970	97.7	94.2	95.3	95.3	95.7	94.1	99.7	98.2	101.5	96.9
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	104.0	107.2	105.0	105.2	104.0	107.1	103.9	103.1	100.8	105.0
1973	111.6	116.4	114.2	114.8	110.2	123.8	117.4	111.2	105.6	114.6
1974	124.2	135.1	133.3	138.0	126.7	147.9	152.2	134.3	113.3	132.1
1975	137.3	156.0	150.2	153.2	143.8	167.8	168.6	153.6	109.8	146.3
1976	148.5	177.4	162.0	161.6	152.3	187.6	174.1	156.3	111.4	160.4
1977	160.5	194.5	175.2	172.2	164.2	208.0	187.1	175.5	106.6	172.3
1978	172.7	210.7	190.3	185.4	179.6	223.8	202.9	199.1	101.9	183.8
1979	188.7	229.8	206.8	203.0	197.3	241.1	241.2	226.5	106.5	202.7
1980	209.1	250.8	226.1	225.2	218.0	253.6	279.0	260.9	106.9	225.2
1981	233.2	296.7	251.7	254.0	244.6	277.8	298.7	289.5	103.2	246.1
1982	258.4	333.0	269.9	273.5	265.5	295.6	306.1	302.0	101.4	274.2
1983	273.6	358.8	276.5	278.9	274.6	290.7	306.5	299.0	102.5	290.0

Reference Table 41 (continued)

Gross National Expenditure Implicit Price Indexes[1]

1947 – 1983

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Exports of goods and services	Imports of goods and services	Terms of Trade	Gross national expenditure
			Total	Government	Business	Housing				
					(Per cent change)					
1948	13.5	14.1	13.3	12.2	12.4	17.2	7.2	11.6	−4.0	12.3
1949	3.6	7.1	4.8	4.0	5.1	4.3	5.0	3.3	1.6	4.3
1950	3.1	3.9	4.5	4.2	4.4	5.1	4.6	7.0	−2.2	2.3
1951	10.2	12.0	14.3	18.7	12.7	15.2	11.1	10.6	0.5	11.3
1952	2.3	4.5	3.2	2.2	3.7	1.8	−1.1	−7.0	6.2	4.3
1953	−0.2	2.5	0.2	−5.8	1.4	1.0	−2.4	−0.1	−2.1	−0.1
1954	0.9	4.0	−0.3	0.1	−0.2	−0.8	−0.8	0.3	−1.1	1.6
1955	0.0	3.3	2.9	7.6	2.4	1.9	4.0	1.7	2.3	0.6
1956	1.6	7.0	5.3	10.8	5.5	1.6	2.7	3.3	−0.6	3.6
1957	3.1	5.1	1.4	−5.6	1.9	2.8	−0.5	2.5	−2.9	2.1
1958	2.6	3.0	−0.7	−5.1	0.9	−0.3	−0.4	1.4	−1.8	1.4
1959	1.1	3.4	0.8	0.3	1.3	−0.1	1.5	−0.6	2.1	2.1
1960	0.9	3.6	1.3	0.9	0.7	2.0	0.6	0.9	−0.2	1.2
1961	0.7	3.2	−0.6	−3.3	−0.2	0.8	1.2	2.7	−1.5	0.5
1962	1.3	2.4	1.3	1.5	1.9	−0.3	3.9	4.6	−0.6	1.4
1963	1.5	4.1	2.8	3.6	2.7	2.3	0.9	2.3	−1.3	1.9
1964	1.3	3.3	3.5	3.1	3.5	4.1	2.1	0.8	1.2	2.5
1965	1.9	4.5	5.2	6.5	4.5	5.8	1.8	0.7	1.1	3.2
1966	3.3	6.7	5.2	5.7	4.3	6.5	2.7	2.2	0.5	4.4
1967	3.4	6.8	2.2	1.0	1.6	5.8	2.0	1.7	0.4	3.9
1968	4.2	5.7	0.7	0.2	0.7	1.0	1.4	2.6	−1.1	3.3
1969	3.9	8.3	4.2	4.9	3.8	4.8	2.2	2.8	−0.6	4.4
1970	3.6	5.8	4.2	4.5	4.8	2.2	3.5	2.7	0.8	4.7
1971	2.4	6.2	4.9	4.9	4.6	6.3	0.3	1.8	−1.5	3.2
1972	4.0	7.2	5.0	5.2	4.0	7.1	3.9	3.1	0.7	5.0
1973	7.3	8.6	8.8	9.1	5.9	15.6	13.0	7.9	4.8	9.2
1974	11.3	16.1	16.7	20.3	15.0	19.5	29.6	20.7	7.4	15.3
1975	10.6	15.4	12.7	11.0	13.5	13.5	10.8	14.4	−3.1	10.8
1976	8.2	13.7	7.9	5.5	5.9	11.8	3.3	1.8	1.5	9.5
1977	8.1	9.6	8.1	6.6	7.8	10.9	7.5	12.3	−4.3	7.4
1978	7.6	8.3	8.6	7.7	9.4	7.6	8.4	13.4	−4.4	6.7
1979	9.3	9.1	8.7	9.7	9.8	7.7	18.9	13.8	4.5	10.3
1980	10.8	13.1	9.3	10.8	11.0	5.2	15.7	15.2	0.4	11.1
1981	11.5	14.2	11.3	12.8	11.7	9.5	7.1	11.0	−3.5	10.6
1982	10.8	12.3	7.2	7.7	8.5	2.8	2.5	4.3	−1.8	10.1
1983	5.9	7.7	2.4	2.0	3.4	−1.7	0.1	−1.0	1.2	5.8

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[1] These implicit price indexes are currently weighted price indexes. They reflect not only pure price change, but also changing expenditure patterns within and between major groups. The implicit price index for gross national expenditure is derived by dividing the total of current dollars by the total of constant dollars.

Source: Statistics Canada, *National Income and Expenditure Accounts*.

Reference Table 42

Consumer Price Indexes: Standard Classifications 1961 – 1983 (1981 = 100)

Year	All items	Food	Housing	Clothing	Trans-portation	Health and personal care	Recreation and reading	Tobacco and alcohol
D	130000	130001	130131	130222	130316	130344	130375	130417
1961	31.6	26.2	32.3	40.6	32.4	31.8	38.6	31.2
1962	32.0	26.7	32.7	41.0	32.4	32.4	38.9	37.7
1963	32.6	27.5	33.1	42.0	32.4	33.2	39.5	37.7
1964	33.2	28.0	33.6	43.0	32.7	34.3	40.1	38.4
1965	34.0	28.7	34.2	43.8	34.0	35.9	40.7	39.1
1966	35.2	30.6	35.1	45.5	34.7	37.0	42.0	40.0
1967	36.5	31.0	36.6	47.7	36.2	38.9	44.1	41.0
1968	38.0	32.0	38.3	49.2	37.2	40.5	46.2	44.8
1969	39.7	33.3	40.3	50.5	38.9	42.4	49.0	46.5
1970	41.0	34.1	42.3	51.5	40.4	44.3	50.7	47.0
1971	42.2	34.4	44.2	52.2	42.1	45.2	52.3	47.8
1972	44.2	37.0	46.2	53.6	43.2	47.4	53.8	49.1
1973	47.6	42.4	49.2	56.3	44.3	49.7	56.1	50.6
1974	52.8	49.4	53.5	61.7	48.7	54.0	61.0	53.4
1975	58.5	56.7	58.9	66.4	54.4	60.2	67.3	58.9
1976	62.9	57.3	65.4	69.0	60.3	66.3	71.3	64.1
1977	67.9	62.0	71.5	73.7	64.5	70.2	74.7	68.7
1978	73.9	71.6	76.9	76.5	68.3	75.2	77.6	74.3
1979	80.7	81.0	82.3	83.6	74.9	82.0	82.9	79.6
1980	88.9	89.8	89.0	93.4	84.5	90.2	90.8	88.6
1981	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1982	110.8	107.2	112.5	105.6	114.1	110.6	108.7	115.5
1983	117.2	111.2	120.2	108.8	119.6	118.2	115.8	130.0
				(Per cent change)				
1961	1.0	1.5	0.4	1.4	0.2	0.6	1.1	0.5
1962	1.2	1.9	1.2	0.9	−0.1	2.0	1.0	1.3
1963	1.7	3.2	1.1	2.5	0.0	2.5	1.3	0.2
1964	1.8	1.6	1.5	2.5	1.0	3.3	1.7	1.8
1965	2.5	2.6	1.8	1.8	3.8	4.7	1.5	1.7
1966	3.7	6.4	2.8	3.8	2.3	3.0	2.9	2.3
1967	3.6	1.3	4.3	5.0	4.3	5.2	5.0	2.6
1968	4.0	3.3	4.6	3.0	2.7	4.1	4.9	9.1
1969	4.5	4.3	5.2	2.8	4.5	4.6	5.9	3.8
1970	3.4	2.3	4.9	1.9	4.0	4.5	3.5	1.2
1971	2.8	1.1	4.6	1.5	4.1	2.0	3.3	1.7
1972	4.8	7.6	4.6	2.6	2.6	4.8	2.8	2.7
1973	7.6	14.6	6.5	4.9	2.7	4.9	4.2	3.1
1974	10.9	16.3	8.7	9.6	9.9	8.6	8.8	5.5
1975	10.8	12.9	10.0	6.0	11.7	11.4	10.4	12.0
1976	7.5	2.7	11.1	5.6	10.8	8.5	6.0	7.1
1977	8.0	8.3	9.4	6.8	7.0	7.4	4.7	7.1
1978	8.9	15.5	7.5	3.8	5.8	7.2	3.9	8.1
1979	9.2	13.2	7.0	9.2	9.7	9.1	6.9	7.2
1980	10.2	10.7	8.1	11.7	12.8	9.9	9.5	11.2
1981	12.5	11.4	12.4	7.1	18.4	10.9	10.1	12.9
1982	10.8	7.2	12.5	5.6	14.1	10.6	8.7	15.5
1983	5.8	3.7	6.8	4.0	5.0	7.0	6.5	12.6

Source: Statistics Canada, *The Consumer Price Index*, monthly, cat. 62-001.

Reference Table 43

Consumer Price Indexes: Reclassified by Goods and Services 1961 – 1983 (1981 = 100)

Year	Total consumer price index	Total excluding food	Total commodities	Total commodities excluding food	Non-durables	Non-durables excluding food	Durables	Total services[1]	Services excluding shelter
D	130000	130436	130425	130428	130431	130434	130429	130432	130435
1961	31.6	34.0	32.5	38.8	27.5	31.4	50.7	29.6	28.1
1962	32.0	34.3	32.8	39.0	27.9	31.7	50.3	30.1	28.6
1963	32.6	34.7	33.4	39.3	28.4	31.7	50.3	30.6	29.1
1964	33.2	35.4	33.8	39.6	28.9	32.1	49.8	31.5	30.0
1965	34.0	36.2	34.4	40.1	29.5	32.6	49.7	32.7	31.6
1966	35.2	37.2	35.7	41.0	30.9	33.4	49.7	33.8	32.8
1967	36.5	38.9	36.6	42.4	31.5	34.4	51.1	35.6	34.8
1968	38.0	40.6	38.0	44.0	32.8	36.2	51.9	37.5	36.3
1969	39.7	42.4	39.2	45.1	34.1	37.5	52.4	40.0	38.6
1970	41.0	44.0	40.0	46.0	34.9	38.4	53.1	42.3	40.6
1971	42.2	45.6	40.7	47.0	35.6	39.6	53.9	44.5	42.3
1972	44.2	47.3	42.5	48.0	37.6	40.7	54.6	46.7	44.3
1973	47.6	49.7	46.3	49.9	42.0	42.8	55.3	49.6	46.4
1974	52.8	54.0	52.1	54.8	48.1	47.6	59.6	53.5	50.5
1975	58.5	59.5	57.8	59.9	54.3	53.8	64.1	59.3	57.1
1976	62.9	65.1	60.6	63.9	56.9	58.4	67.6	66.5	64.7
1977	67.9	70.2	65.1	68.2	61.5	62.9	71.0	72.5	70.6
1978	73.9	74.7	71.7	72.2	69.1	67.4	75.2	77.5	75.2
1979	80.7	80.6	79.3	78.8	76.9	73.5	82.4	82.9	81.3
1980	88.9	88.7	88.4	88.0	86.2	83.3	91.3	89.7	89.2
1981	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1982	110.8	111.8	109.4	110.7	111.6	116.6	105.6	112.9	113.5
1983	117.2	119.0	115.3	117.7	118.6	127.1	109.8	120.2	120.5
				(Per cent change)					
1962	1.2	1.0	0.9	0.4	1.5	0.8	−0.9	1.7	1.8
1963	1.7	1.2	1.8	0.8	1.9	−0.1	0.1	1.8	1.7
1964	1.8	1.9	1.2	0.9	1.5	1.3	−1.0	2.7	3.1
1965	2.5	2.3	1.7	1.2	2.2	1.6	−0.2	3.8	5.2
1966	3.7	2.9	3.9	2.1	4.9	2.6	0.0	3.5	4.0
1967	3.6	4.4	2.5	3.6	1.8	2.8	2.8	5.3	6.0
1968	4.0	4.4	3.7	3.6	4.3	5.3	1.6	5.3	4.3
1969	4.5	4.6	3.1	2.6	3.8	3.5	1.0	6.7	6.5
1970	3.4	3.8	2.1	1.8	2.3	2.4	1.2	5.9	5.0
1971	2.8	3.5	1.7	2.2	2.0	3.1	1.6	5.0	4.2
1972	4.8	3.7	4.5	2.3	5.6	2.9	1.2	5.1	4.7
1973	7.7	5.1	8.9	4.0	11.6	5.3	1.4	6.2	4.8
1974	10.9	8.6	12.6	9.7	14.5	11.2	7.7	7.9	8.8
1975	10.8	10.0	10.9	9.4	12.9	12.9	7.7	10.7	13.2
1976	7.5	9.4	4.9	6.7	4.8	8.5	5.4	12.2	13.3
1977	8.0	7.9	7.4	6.7	8.1	7.7	5.1	9.0	9.0
1978	8.9	6.4	10.1	6.0	12.4	7.2	5.9	6.9	6.6
1979	9.2	7.9	10.6	9.1	11.2	8.9	9.6	7.0	8.1
1980	10.2	10.0	11.4	11.6	12.2	13.3	10.8	8.2	9.6
1981	12.5	12.8	13.1	13.6	15.9	20.1	9.5	11.5	12.1
1982	10.8	11.8	9.4	10.7	11.6	16.6	5.6	12.9	13.5
1983	5.8	6.4	5.4	6.3	6.3	8.9	4.0	6.5	6.1

(1) Includes new houses, property taxes, and mortgage interest, but excludes the commodity component of shelter repairs.

Source: Statistics Canada, *The Consumer Price Index.*

Reference Table 44

Energy Prices
1961 – 1983

Year	Consumer prices					Crude oil prices		Industrial electricity
	Gasoline	Natural gas	Electricity	Fuel oil	Total energy	Imported-C/F Montreal	Wellhead-Alberta	(>5000 kwh)
D	130221	130147	130148	130146	130447			
	(Per cent change)					(Dollars per barrel)		(Per cent change)
1961	0.6	0.3	0.5	−3.9	—	2.10	—	—
1962	−0.2	0.8	−1.0	−1.8	—	2.32	2.61	—
1963	−1.4	0.0	0.3	−3.9	—	2.51	2.66	—
1964	4.5	0.0	−0.4	−5.1	—	2.47	2.65	—
1965	1.4	0.0	−1.7	0.1	—	2.47	2.65	—
1966	4.3	−0.3	0.1	−0.0	—	2.39	2.65	—
1967	2.3	0.2	7.3	1.7	—	2.64	2.65	—
1968	3.6	1.5	4.9	4.5	—	2.99	2.65	—
1969	2.5	−0.0	2.5	2.2	—	2.61	2.65	—
1970	2.2	−1.4	8.5	2.1	—	2.43	2.63	—
1971	3.6	1.6	3.5	9.7	—	2.95	2.86	—
1972	0.8	0.5	2.7	6.1	2.8	2.86	2.88	1.0
1973	6.8	1.7	8.2	15.5	9.0	3.95	3.46	6.0
1974	16.6	10.1	3.8	29.5	16.2	11.29	5.83	11.3
1975	13.2	20.9	11.5	13.5	13.6	12.59	7.25	10.5
1976	12.4	28.5	16.1	16.1	15.4	12.88	8.53	16.7
1977	8.6	13.2	17.0	15.4	12.1	15.16	10.25	31.3
1978	5.6	18.8	8.1	14.1	9.3	16.28	12.25	11.1
1979	10.2	5.5	8.7	12.5	9.6	22.95	13.25	10.3
1980	19.0	11.8	9.3	20.1	16.0	36.95	15.58	12.9
1981	36.0	27.4	8.8	43.5	30.1	42.99	18.88	9.9
1982	21.4	24.3	11.4	22.2	18.8	41.32	24.63	14.1
1983	6.1	10.0	8.6	10.2	7.8	36.47	29.75	—

Source: Consumer prices are from Statistics Canada, *The Consumer Price Index*, cat. 62-001. Data for total energy are not published for the period prior to 1971.

Reference Table 45

Other Price Indexes
1961 – 1983
(1971 = 100)

	World commodity prices[1]		Industry selling price index			Building materials		Merchandise export prices	Merchandise import prices	Terms of trade[2]
Year	Total	Food	Total	Food	Non-food[3]	Residential	Non-residential			
D			500000	634400	634401	610002	478802	40841	40843	
1961	79.0	65.1	82.4	77.3	83.7	—	74.6	85.1	84.0	101.4
1962	77.2	63.1	83.3	79.0	84.4	—	73.9	88.8	87.9	101.1
1963	87.6	77.8	84.4	82.0	85.0	—	75.9	89.2	90.0	99.1
1964	94.8	84.7	85.1	82.3	85.8	—	79.6	91.0	90.5	100.6
1965	95.7	83.7	86.2	83.2	87.0	—	83.2	92.1	90.2	102.2
1966	100.5	85.1	88.7	88.0	88.8	—	86.1	94.3	91.9	102.6
1967	95.1	84.7	90.4	88.6	90.9	—	87.9	95.1	92.7	102.6
1968	93.6	83.4	92.3	89.7	93.0	—	90.1	96.2	94.8	101.5
1969	101.7	89.8	95.8	94.5	96.1	—	94.1	97.7	97.0	100.8
1970	107.2	101.8	98.1	97.0	98.3	—	96.7	100.6	98.6	102.0
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.1
1972	129.4	134.8	104.4	109.0	103.4	109.8	104.9	103.3	102.3	101.0
1973	210.8	211.4	116.1	133.5	112.3	124.0	113.1	118.2	110.0	107.5
1974	259.1	283.2	138.1	157.6	133.8	135.2	137.3	157.2	135.5	116.0
1975	224.9	255.1	153.7	173.4	149.3	139.7	147.0	173.2	156.6	110.6
1976	263.3	296.3	161.6	175.8	158.4	153.6	156.6	176.4	157.9	111.7
1977	319.7	389.2	174.3	187.9	171.3	165.2	165.6	188.7	177.1	106.6
1978	336.1	405.0	190.4	208.9	186.4	184.1	179.4	205.3	200.7	102.3
1979	409.8	479.9	217.9	235.6	214.1	207.0	208.7	248.6	229.6	108.3
1980	482.7	592.2	247.2	260.5	244.3	215.2	230.2	290.0	268.4	108.0
1981	427.2	519.2	272.4	282.7	270.1	236.4	253.4	307.4	296.5	103.7
1982	356.1	427.3	288.8	295.5	287.3	244.4	275.3	309.0	302.6	102.1
1983	385.9	468.5	298.7	304.9	297.4	267.2	281.1	305.9	291.4	105.0
					(Per cent change)					
1961	−2.8	−2.3	0.3	2.2	—	—	−0.9	0.7	3.0	−2.3
1962	−2.3	−3.0	1.0	2.2	0.8	—	−0.9	4.3	4.6	−0.3
1963	13.4	23.3	1.3	3.8	0.7	—	2.7	0.5	2.4	−1.9
1964	8.2	8.9	0.8	0.3	1.0	—	4.8	2.0	0.5	1.5
1965	1.0	−1.2	1.3	1.1	1.3	—	4.5	1.3	−0.3	1.6
1966	5.0	1.7	2.9	5.8	2.1	—	3.5	2.4	1.9	0.4
1967	−5.4	−0.5	1.9	0.7	2.3	—	2.1	0.8	0.9	0.0
1968	−1.6	−1.5	2.1	1.2	2.3	—	2.5	1.2	2.3	−1.1
1969	8.6	7.7	3.7	5.4	3.3	—	4.5	1.5	2.2	−0.7
1970	5.4	13.3	2.4	2.6	2.3	—	2.7	2.9	1.7	1.2
1971	−6.7	−1.8	2.0	3.1	1.7	—	3.4	−0.6	1.4	−1.9
1972	29.3	34.8	4.4	9.0	3.4	9.8	4.9	3.3	2.4	0.9
1973	63.0	56.8	11.2	22.4	8.5	12.9	7.8	14.3	7.5	6.4
1974	22.9	34.0	19.0	18.1	19.2	9.0	21.4	33.1	23.2	8.0
1975	−13.2	−9.9	11.2	10.0	11.6	3.4	7.1	10.2	15.6	−4.7
1976	17.1	16.2	5.1	1.4	6.1	9.9	6.5	1.9	0.8	1.0
1977	21.4	31.3	7.9	6.9	8.2	7.5	5.7	7.0	12.2	−4.6
1978	5.1	4.1	9.2	11.2	8.8	11.4	8.4	8.8	13.3	−4.0
1979	21.9	18.5	14.5	12.7	14.9	12.5	16.3	21.1	14.4	5.9
1980	17.8	23.4	13.5	10.6	14.1	4.0	10.3	16.6	16.9	−0.2
1981	−11.5	−12.3	10.2	8.5	10.6	9.8	10.1	6.0	10.5	−4.1
1982	−16.6	−17.7	6.0	4.5	6.4	3.4	8.6	0.5	2.0	−1.5
1983	8.4	9.7	3.5	3.2	3.5	9.3	2.1	−1.0	−3.7	2.8

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[1] *The Economist.*

[2] The index of the ratio of merchandise export prices to merchandise import prices.

[3] The Industry Selling Price Index for non-food includes alcoholic beverages.

Source: Statistics Canada, *Prices and Price Indexes;* Statistics Canada, *Trade of Canada Exports,* monthly, cat. 65-004; Statistics Canada, *Trade of Canada Imports,* monthly, cat. 65-007; and Statistics Canada, *Index Numbers of Farm Prices of Agricultural Products,* cat. 62-529.

Reference Table 46

An International Comparison of Total Government and Central Government Total Expenditures as Percentages of Gross Domestic or Gross National Product

1975 – 1982

	Average 1969-74	1975	1976	1977	1978	1979	1980	1981	1982
Total Government[1]									
Australia[2]	27.7	32.2	32.9	34.3	33.6	33.2	33.8	34.2	—
Austria	38.5	43.8	44.8	45.0	47.9	47.4	48.9	49.0	—
Canada	36.7	41.3	40.0	41.1	41.7	40.2	41.9	42.7	47.3
Denmark	39.5	44.7	43.7	—	—	—	—	—	—
France	38.5	43.0	43.0	43.8	44.9	45.2	46.1	48.6	—
Germany	39.0	47.1	46.0	45.9	45.9	45.7	46.4	47.5	—
Italy	36.0	41.9	41.5	41.9	44.8	44.1	44.8	49.8	—
Japan	20.3	26.2	26.8	28.1	29.4	30.6	31.6	32.7	—
Netherlands	46.6	56.1	55.3	56.0	57.6	59.3	—	—	—
Norway	43.8	46.6	48.5	50.1	52.3	50.9	49.1	49.1	—
Sweden[2]	45.9	49.1	51.9	57.5	59.0	59.8	61.5	64.4	—
United Kingdom	39.4	45.8	45.3	43.1	42.6	42.6	44.8	46.4	—
United States[3]	32.4	35.7	34.9	33.9	33.1	33.0	35.1	35.6	38.0
Average[4]	37.4	42.5	42.7	43.3	44.4	44.3	43.8	45.3	—
Central Government[5]									
Australia[2]	13.4	15.8	16.4	16.9	16.6	16.3	16.8	17.2	—
Austria	16.3	17.2	17.5	17.5	19.3	19.1	18.5	19.1	—
Canada									
Excluding C/QPP	14.6	16.8	15.7	16.1	16.4	15.5	16.3	17.1	19.7
Including C/QPP	14.9	17.3	16.3	16.8	17.2	16.3	17.2	18.1	20.8
France	17.6	18.3	17.9	18.2	18.4	18.2	18.3	19.5	—
Germany	9.3	11.0	10.6	10.6	10.8	10.7	10.6	11.0	—
Italy[6]	15.8	17.2	17.2	18.2	20.1	20.0	19.8	22.3	—
Japan[6]	5.2	6.0	6.2	6.6	7.0	7.4	8.0	8.3	—
Netherlands	14.6	16.2	16.2	16.4	16.9	17.6	—	—	—
Norway	29.8	32.5	34.0	32.5	34.0	33.4	32.0	31.5	—
Sweden	19.7	20.7	22.0	24.0	25.1	25.5	26.4	28.3	—
United Kingdom	20.5	23.9	24.0	23.4	23.7	24.1	25.5	26.9	—
United States[3]	17.5	19.4	19.0	18.6	18.0	18.2	19.9	20.9	22.8
Average[7]	16.2	18.0	18.1	18.3	18.9	18.6	19.1	20.0	—

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[1] Includes all levels of government and the social security system, but excludes public corporations and public financial institutions.

[2] Excludes social security benefits.

[3] To conform to Canadian national accounts conventions and to facilitate Canada-United States comparisons, the current surpluses of government enterprises and the interest received by the government have been added to government expenditures. In the United States national accounts these items are netted out of subsidies and interest payments respectively. In addition expenditures on the postal service have been excluded from the data for the United States.

[4] Percentages exclude countries for which no data is shown on the table.

[5] Net of transfers to other levels of government.

[6] Average for 1970-74 instead of the average for 1969-74.

[7] Percentages exclude countries for which no data is shown on the table. The averages for the whole period are based on Canadian estimates including C/QPP.

Source: OECD, *National Accounts of OECD Countries*, 1981, volume II; Statistics Canada, *National Income and Expenditure Accounts*, and for the U.S. *Economic Report of the President* and the *Survey of Current Business*.

Reference Table 47

Total Government Revenues
National Income and Expenditure Accounts Basis
1947 – 1983

Year	Direct taxes, persons	Direct taxes, corporations	Withholding taxes	Indirect taxes	Transfers from persons	Investment income	Capital consumption allowances	Total CPP and QPP[1]	Total revenues[2]
D	30516	30522	30525	30526	30630	30635	30548		
				(Millions of dollars)					
1947	927	702	35	1,855	35	261	146	—	3,961
1948	986	687	41	1,907	47	261	171	—	4,100
1949	956	723	47	1,955	57	242	187	—	4,167
1950	915	993	54	2,129	62	280	201	—	4,634
1951	1,279	1,431	56	2,677	77	285	248	—	6,053
1952	1,588	1,403	55	2,901	82	368	265	—	6,662
1953	1,748	1,244	54	3,107	84	378	280	—	6,895
1954	1,776	1,115	58	3,131	73	373	293	—	6,819
1955	1,855	1,310	67	3,407	79	420	320	—	7,458
1956	2,127	1,443	69	3,858	97	537	365	—	8,496
1957	2,350	1,378	83	4,095	106	490	385	—	8,887
1958	2,214	1,350	48	4,186	124	542	404	—	8,868
1959	2,444	1,615	74	4,651	224	604	434	—	10,046
1960	2,794	1,588	79	4,901	234	649	465	—	10,710
1961	2,944	1,649	116	5,159	256	710	531	—	11,365
1962	3,180	1,753	125	5,807	268	784	574	—	12,491
1963	3,387	1,891	127	6,115	274	885	629	—	13,308
1964	3,917	2,100	140	6,877	316	978	676	—	15,004
1965	4,431	2,197	167	7,741	377	1,080	768	—	16,761
1966	5,792	2,355	204	8,669	401	1,241	864	724	19,526
1967	7,009	2,396	218	9,489	447	1,495	922	904	21,976
1968	8,244	2,852	209	10,303	613	1,765	988	1,040	24,974
1969	10,055	3,221	234	11,423	838	2,257	1,113	1,190	29,141
1970	11,547	3,070	269	12,055	1,077	2,705	1,231	1,327	31,954
1971	13,042	3,346	278	13,048	1,107	3,180	1,334	1,478	35,335
1972	14,631	3,920	287	14,760	1,036	3,690	1,495	1,657	39,819
1973	17,041	5,080	322	16,686	1,072	4,386	1,710	1,875	46,297
1974	21,197	7,051	430	20,876	1,125	5,916	2,161	2,313	58,756
1975	24,070	7,486	465	21,442	1,139	7,112	2,525	2,780	64,239
1976	28,353	7,113	504	24,864	1,480	8,357	2,825	3,282	73,496
1977	31,538	7,256	534	27,227	1,671	9,927	3,157	3,666	81,310
1978	33,419	8,274	582	29,090	2,009	12,520	3,595	4,231	89,489
1979	37,163	10,173	754	32,533	2,248	14,787	4,061	4,867	101,719
1980	42,503	12,628	995	36,261	2,461	17,575	4,613	5,670	117,036
1981	52,402	13,095	1,110	46,398	2,635	20,010	5,334	6,535	140,984
1982	58,137	9,825	1,178	48,573	2,851	22,947	6,146	7,808	149,657
1983	63,075	12,722	1,043	50,370	3,302	25,187	7,035	8,081	162,734

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[1] Canada Pension Plan (CPP) and Quebec Pension Plan (QPP) employer-employee contributions and investment income included in total government direct taxes, persons, and investment income respectively.

[2] Includes CPP and QPP. Excludes intergovernmental transfers.

Source: Statistics Canada, *National Income and Expenditure Accounts*.

Reference Table 48

Total Government Expenditures
National Income and Expenditure Accounts Basis
1947 – 1983

Year	Goods and services	National defence(1)	Transfers to persons	Interest on the public debt	Sub-sidies	Capital assis-tance(2)	Transfers to non-residents	Total CPP and QPP(3)	Gross capital formation	Total expend-itures(4)	Deficit or surplus
D	30560	31284	30566	30579	30572	30575	30578		30597		30609
					(Millions of dollars)						
1947	1,343	227	834	559	177	6	46	—	233	3,198	763
1948	1,454	236	857	558	75	10	32	—	392	3,378	722
1949	1,722	361	942	572	77	13	15	—	483	3,824	343
1950	1,928	493	1,023	544	64	10	14	—	497	4,080	554
1951	2,811	1,157	1,024	609	129	13	21	—	620	5,227	826
1952	3,620	1,800	1,343	651	102	14	28	—	847	6,605	57
1953	3,824	1,907	1,449	620	113	14	37	—	755	6,812	83
1954	3,825	1,727	1,626	650	89	13	23	—	865	7,091	-272
1955	4,036	1,760	1,719	664	86	8	36	—	949	7,498	-40
1956	4,426	1,802	1,746	718	127	27	42	—	1,138	8,224	272
1957	4,573	1,765	2,052	774	120	29	52	—	1,306	8,906	-19
1958	4,854	1,661	2,605	826	150	18	67	—	1,426	9,946	-1,078
1959	4,976	1,559	2,721	1,023	250	22	85	—	1,570	10,647	-601
1960	5,281	1,546	3,090	1,093	314	17	74	—	1,511	11,380	-670
1961	6,206	1,613	2,709	1,184	321	21	77	—	1,692	12,200	-835
1962	6,608	1,680	2,912	1,316	361	41	59	—	1,900	13,197	-706
1963	6,982	1,572	2,979	1,431	401	77	89	—	1,973	13,932	-624
1964	7,593	1,584	3,175	1,546	436	92	95	—	1,968	14,905	99
1965	8,358	1,559	3,423	1,675	457	92	119	—	2,430	16,554	207
1966	9,748	1,709	3,750	1,862	639	65	195	15	2,842	19,101	425
1967	11,153	1,805	4,667	2,081	637	91	217	17	2,962	21,828	148
1968	12,684	1,812	5,473	2,391	641	100	170	37	3,013	24,472	502
1969	14,241	1,799	6,161	2,767	701	110	185	77	3,061	27,226	1,915
1970	16,630	1,868	6,985	3,250	756	123	244	134	3,160	31,148	806
1971	18,368	1,926	8,255	3,822	772	225	249	200	3,714	35,205	130
1972	20,291	1,963	9,918	4,137	884	245	279	284	3,984	39,738	81
1973	23,037	2,174	11,198	4,788	1,088	326	318	406	4,290	45,045	1,252
1974	27,816	2,548	13,880	5,425	2,619	326	407	542	5,468	55,961	2,795
1975	33,380	2,780	17,080	6,538	3,858	486	592	777	6,354	68,288	-4,049
1976	38,325	3,220	19,483	8,101	3,344	564	542	1,099	6,359	76,718	-3,222
1977	43,374	3,693	22,220	9,268	3,320	662	638	1,428	6,833	86,315	-5,005
1978	47,722	4,080	25,025	11,538	3,527	710	1,013	1,783	7,198	96,783	-7,294
1979	52,284	4,165	26,522	13,748	4,805	766	767	2,175	7,457	106,349	-4,630
1980	59,595	4,834	30,626	16,597	7,352	1,007	817	2,667	8,346	121,673	-7,304
1981	68,405	5,611	33,517	21,479	8,502	1,037	875	3,285	9,359	141,544	-3,845
1982	77,193	6,802	43,403	25,727	7,793	2,703	1,060	4,022	10,704	164,561	-18,926
1983	83,390	7,224	49,742	27,741	7,948	4,238	1,186	4,861	11,236	180,622	-22,749

(1) Included in goods and services.

(2) From 1961 on, this item is treated as government current expenditures; prior to 1961, it was treated as a capital transfer.

(3) CPP and QPP goods and services expenditures and benefit payments included respectively in total government goods and services, and transfers to persons and non-residents.

(4) Includes CPP and QPP. Excludes intergovernmental transfers.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 49
Federal Government Revenues
National Income and Expenditure Accounts Basis
1947 – 1983

Year	Direct taxes, persons	Direct taxes, corporations	Withholding taxes	Indirect taxes	Transfers from persons	Investment income	Capital consumption allowances	Total revenues
D	30517	30523	30525	30527	30531	30536	30549	
				(Millions of dollars)				
1947	825	631	35	1,136	4	102	43	2,776
1948	875	566	41	1,086	6	91	50	2,717
1949	841	593	47	1,048	7	109	54	2,699
1950	806	847	54	1,115	7	133	58	3,020
1951	1,158	1,242	56	1,494	6	143	66	4,165
1952	1,461	1,294	55	1,594	7	205	71	4,687
1953	1,613	1,168	54	1,697	2	200	75	4,809
1954	1,622	1,051	58	1,612	1	187	77	4,608
1955	1,647	1,248	67	1,743	1	220	82	5,008
1956	1,910	1,364	69	1,970	1	296	88	5,698
1957	2,105	1,170	83	1,989	2	230	93	5,672
1958	1,965	1,105	48	1,906	2	285	98	5,409
1959	2,183	1,340	74	2,120	2	316	104	6,139
1960	2,503	1,308	79	2,177	3	336	111	6,517
1961	2,629	1,345	116	2,188	2	382	117	6,779
1962	2,605	1,314	125	2,400	1	410	124	6,979
1963	2,730	1,412	127	2,449	2	471	132	7,323
1964	3,129	1,575	140	2,845	2	525	139	8,355
1965	3,332	1,652	167	3,245	3	545	151	9,095
1966	3,634	1,774	204	3,570	3	632	167	9,984
1967	4,305	1,758	218	3,705	3	738	179	10,906
1968	5,125	2,107	209	3,761	4	821	191	12,218
1969	6,503	2,402	234	4,028	2	1,108	213	14,490
1970	7,436	2,276	269	4,034	2	1,279	232	15,528
1971	8,299	2,477	278	4,480	4	1,458	245	17,241
1972	9,285	2,901	287	5,121	5	1,684	277	19,560
1973	10,861	3,644	322	5,837	6	1,827	312	22,809
1974	13,538	5,012	430	8,495	8	2,116	379	29,978
1975	15,231	5,372	465	7,882	8	2,304	441	31,703
1976	18,042	5,046	504	8,601	11	2,608	501	35,313
1977	18,042	5,157	534	9,085	13	3,124	553	36,508
1978	17,708	5,813	582	9,750	15	3,879	643	38,390
1979	20,252	6,994	754	10,661	17	4,179	729	43,586
1980	23,456	8,945	995	12,131	17	4,811	810	51,165
1981	29,215	9,585	1,110	18,837	15	5,518	918	65,198
1982	32,125	7,538	1,178	17,386	22	6,288	1,046	65,583
1983	35,434	9,511	1,043	15,972	24	7,068	1,186	70,238

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 50

Federal Government Expenditures
National Income and Expenditure Accounts Basis
1947 – 1983

Year	Goods and services	National defence[1]	Transfers to persons	Interest on the public debt	Subsidies	Capital assistance[2]	Transfer payments to non-residents	Transfers to other levels of government	Gross capital formation	Total expenditures	Deficit(-) or surplus
D	30561	31284	30566	30580	30573	30576	41974	30801	30598		30610
					(Millions of dollars)						
1947	651	227	611	453	171	1	46	192	−36	2,089	687
1948	628	236	570	453	71	1	32	150	47	1,952	765
1949	757	361	583	461	73	1	15	187	138	2,215	484
1950	923	493	615	427	60	1	14	251	79	2,370	650
1951	1,634	1,157	580	486	124	0	21	259	90	3,194	971
1952	2,315	1,800	975	515	96	2	28	368	193	4,492	195
1953	2,462	1,907	1,043	471	106	1	37	412	126	4,658	151
1954	2,316	1,727	1,165	482	84	1	23	430	153	4,654	−46
1955	2,364	1,760	1,229	487	75	3	36	450	162	4,806	202
1956	2,517	1,802	1,221	516	118	16	42	485	185	5,100	598
1957	2,513	1,765	1,460	531	108	20	52	521	217	5,422	250
1958	2,524	1,661	1,893	568	131	13	67	663	317	6,176	−767
1959	2,387	1,559	1,782	733	229	19	85	880	363	6,478	−339
1960	2,426	1,546	1,973	753	283	15	74	994	228	6,746	−229
1961	2,584	1,613	2,005	786	285	18	77	1,128	306	7,189	−410
1962	2,688	1,380	2,110	865	322	38	59	1,134	270	7,486	−507
1963	2,617	1,572	2,134	935	355	74	89	1,169	236	7,609	−286
1964	2,750	1,584	2,241	995	379	89	95	1,252	209	8,010	345
1965	2,829	1,559	2,311	1,052	372	86	119	1,431	351	8,551	544
1966	3,267	1,709	2,484	1,151	500	62	195	1,664	430	9,753	231
1967	3,562	1,805	2,918	1,245	519	73	217	1,992	464	10,990	−84
1968	3,883	1,812	3,295	1,409	522	78	170	2,372	500	12,229	−11
1969	4,242	1,799	3,598	1,589	555	88	185	2,726	486	13,469	1,021
1970	4,551	1,868	4,057	1,862	589	97	244	3,397	465	15,262	266
1971	4,958	1,926	4,684	1,974	513	171	249	4,323	514	17,386	−145
1972	5,452	1,963	6,186	2,253	596	181	277	4,558	623	20,126	−566
1973	6,087	2,174	7,008	2,518	738	227	315	4,807	722	22,422	387
1974	7,408	2,548	8,705	2,961	2,060	193	403	6,165	974	28,869	1,109
1975	8,329	2,780	10,620	3,705	3,183	288	588	7,670	1,125	35,508	−3,805
1976	9,670	3,220	11,533	4,519	2,398	367	537	8,522	1,158	38,704	−3,391
1977	11,142	3,693	13,089	5,101	2,222	497	630	9,967	1,163	43,811	−7,303
1978	12,018	4,080	14,647	6,410	2,301	556	1,003	10,875	1,206	49,016	−10,626
1979	12,788	4,165	14,657	8,080	3,225	546	756	11,754	911	52,717	−9,131
1980	13,804	4,834	16,470	9,897	5,523	708	804	12,831	1,008	61,045	−9,880
1981	16,562	5,611	18,684	13,739	6,485	764	859	14,087	1,002	72,182	−6,984
1982	18,760	6,802	24,483	16,675	5,638	2,291	1,040	15,774	1,424	86,085	−20,502
1983	19,761	7,224	28,164	17,420	5,704	3,358	1,162	17,370	1,756	94,695	−24,457

(1) Included in goods and services.

(2) See note 2 on reference table 48.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 51

Federal Government Expenditure by Envelope
Expenditure Management System Basis

	1976/77	1977/78	1978/79	1979/80	1980/81	1981/82	1982/83
				(Millions of dollars)			
Energy	1,631	1,554	1,398	2,362	3,624	1,608	3,008
Economic development	4,739	4,996	5,024	5,371	5,183	6,899	8,546
Social affairs	18,605	20,408	22,114	22,690	24,633	27,579	31,993
Justice and legal	773	915	1,014	1,037	1,213	1,384	1,536
Fiscal arrangements	3,184	3,196	2,999	3,635	3,908	4,734	5,663
External affairs and aid	1,123	1,257	1,353	1,404	1,421	1,702	2,043
Defence	3,382	3,785	4,108	4,389	5,058	6,031	6,990
Parliament	73	89	92	99	130	151	167
Services to government	2,150	2,402	2,481	2,333	2,732	3,657	2,880
Sub-total	35,660	38,602	40,583	43,320	47,902	53,745	62,826
Public debt	4,721	5,550	7,058	8,524	10,687	15,168	16,971
Total outlays	40,381	44,152	47,641	51,844	58,589	68,913	79,797

Note: Figures for all years are on a consistent basis; the Post Office is treated as a Crown Corporation.

Source: Department of Finance.

Reference Table 52

Federal Government Debt
Public Accounts Basis[1]

Year	Gross debt	Net debt	Unmatured debt	Public debt charges	
				Gross	Net
			(Millions of dollars)		
1952	16,729	11,185	13,949	531	413
1957	17,586	11,009	13,573	534	327
1962[2]	21,728	14,767	16,883	839	532
1963	23,080	15,522	17,950	918	606
1964	24,828	16,657	18,739	994	627
1965	25,920	16,966	18,934	1,051	629
1966	26,590	16,745	18,966	1,111	673
1967	28,105	17,013	19,681	1,191	671
1968	29,708	17,713	20,284	1,301	689
1969	31,971	18,117	21,725	1,480	785
1970	33,178	17,621	22,184	1,717	857
1971	36,774	18,030	24,886	1,920	920
1972	40,238	18,811	27,259	2,137	1,004
1973	43,252	19,810	29,039	2,301	1,036
1974	45,677	21,194	29,171	2,566	1,077
1975	50,997	22,927	33,086	3,239	1,408
1976	58,025	28,390	37,697	3,972	1,875
1977	65,761	34,600	42,519	4,721	2,309
1978	78,528	44,889	51,567	5,550	2,958
1979	95,702	57,115	66,591	7,058	3,902
1980	103,626	68,595	72,121	8,524	5,180
1981	118,461	81,263	83,149	10,687	6,557
1982	134,107	94,869	92,353	15,168	10,073
1983	159,470	119,522	115,475	16,971	11,954
			(Per cent of GNP)[3]		
1952	77.3	51.7	64.5	2.5	1.9
1957	54.9	34.3	42.3	1.7	1.0
1962	54.8	37.2	42.6	2.1	1.3
1963	53.8	36.2	41.8	2.1	1.4
1964	54.0	36.2	40.8	2.2	1.4
1965	51.6	33.8	37.7	2.1	1.3
1966	48.0	30.2	34.3	2.0	1.2
1967	45.5	27.5	31.8	1.9	1.1
1968	44.7	26.7	30.5	2.0	1.0
1969	44.0	25.0	29.9	2.0	1.1
1970	41.6	22.1	27.8	2.2	1.1
1971	42.9	21.0	29.0	2.2	1.1
1972	42.6	19.9	28.9	2.3	1.1
1973	41.1	18.8	27.6	2.2	1.0
1974	37.0	17.2	23.6	2.1	0.9
1975	34.6	15.5	22.4	2.2	0.9
1976	35.1	17.2	22.8	2.1	1.0
1977	34.3	18.0	22.2	2.2	1.1
1978	37.4	21.4	24.5	2.4	1.3
1979	41.2	24.6	28.7	2.7	1.5
1980	39.2	26.0	27.3	2.9	1.7
1981	39.9	27.4	28.0	3.6	2.2
1982	39.6	28.0	27.2	4.5	3.0
1983	44.7	33.5	32.4	4.8	3.4

(1) As at March 31 of each year.

(2) Data for gross debt and net debt for years prior to 1962 are not entirely consistent with those for later years due to changes in accounting practices. Revised data are available only from March 1962.

(3) Calculated using GNP of calendar year preceding the fiscal year end.

Source: Public Accounts of Canada.

Reference Table 53

Actual and Cyclically Adjusted Budget Balances
Federal and Consolidated Government Sectors
National Income and Expenditure Accounts Basis
1954 – 1983

Year	Actual balances (surplus or deficit (–))		Cyclically adjusted balances (surplus or deficit (–))		Actual balances (surplus or deficit (–))		Cyclically adjusted balances (surplus or deficit (–))	
	Federal government	All governments	Federal government	All governments	Federal government	All governments	Federal government	All governments
	(Millions of dollars)				(Per cent of GNP)[1]			
1954	–46	–272	186	–17	–0.2	–1.0	0.7	–0.1
1955	202	118	118	–137	0.7	–0.1	0.4	–0.5
1956	598	272	84	–299	1.9	0.8	0.3	–1.0
1957	250	–19	10	–300	0.7	–0.1	0.0	–0.9
1958	–767	–1,078	–584	–883	–2.2	–3.1	–1.7	–2.5
1959	–339	–601	–150	–383	–0.9	–1.6	–0.4	–1.0
1960	–229	–670	178	–200	–0.6	–1.7	0.4	–0.5
1961	–410	–835	206	–107	–1.0	–2.1	0.5	–0.3
1962	–507	–706	–195	–307	–1.2	–1.6	–0.4	–0.7
1963	–286	–624	–60	–324	–0.6	–1.4	–0.1	–0.7
1964	345	99	316	76	0.7	0.2	0.6	0.2
1965	544	207	340	–39	1.0	0.4	0.6	–0.1
1966	231	425	–216	–159	0.4	0.7	–0.4	–0.3
1967	–84	148	–254	–54	–0.1	0.2	–0.4	–0.1
1968	–11	502	–159	308	–0.0	0.7	–0.2	0.4
1969	1,021	1,915	738	1,543	1.3	2.4	0.9	2.0
1970	266	806	526	1,180	0.3	0.9	0.6	1.4
Average 1961 to 1970	111	194	124	212	0.1	0.0	0.2	0.2
1971	–145	130	–3	313	–0.2	0.1	–0.0	0.3
1972	–566	81	–669	–96	–0.5	0.1	–0.6	–0.1
1973	387	1,252	–583	–69	0.3	1.0	–0.5	–0.1
1974	1,109	2,795	–241	1,027	0.8	1.9	–0.2	0.7
1975	–3,805	–4,049	–3,827	–4,009	–2.3	–2.4	–2.3	–2.4
1976	–3,391	–3,222	–4,151	–4,277	–1.8	–1.7	–2.2	–2.3
1977	–7,303	–5,005	–6,836	–4,432	–3.5	–2.4	–3.2	–2.1
1978	–10,626	–7,294	–9,772	–6,233	–4.6	–3.1	–4.2	–2.7
1979	–9,131	–4,630	–8,773	–4,062	–3.5	–1.8	–3.3	–1.5
1980	–9,880	–7,304	–8,074	–4,538	–3.3	–2.5	–2.7	–1.5
Average 1971 to 1980	–4,335	–2,725	–4,293	–2,638	–1.9	–1.1	–1.9	–1.2
1981	–6,984	–3,845	–5,423	–1,532	–2.1	–1.1	–1.6	–0.4
1982	–20,502	–18,926	–11,462	–6,257	–5.7	–5.3	–2.9	–1.6
1983	–24,457	–22,749	–13,433	–7,486	–6.3	–5.9	–3.2	–1.8

[1] Actual balances are taken as a percentage of actual GNP while cyclically-adjusted balances are taken as a percentage of cyclically-adjusted GNP.

Note: The 1983 cyclically-adjusted budget balances are calculated on the assumption that the cyclically-adjusted level of output grew by 2.4 per cent in 1983 and that the unemployment rate was 7.0 per cent.

Source: Statistics Canada, *National Income and Expenditure Accounts*, and Department of Finance.

Reference Table 54

Provincial Government Revenues
National Income and Expenditure Accounts Basis
1947 – 1983

Year	Direct taxes persons	Direct taxes corporations	Indirect taxes	Transfers from persons	Investment income	Transfers from other levels of government	Capital consumption allowances	Total revenues
D	40060 40298	40067 40305	40072 40310	40076 40314	40081 40319		40101 40339	
				(Millions of dollars)				
1947	97	71	359	28	101	199	44	899
1948	105	119	418	37	111	159	53	1,002
1949	109	130	462	46	79	197	59	1,082
1950	102	146	515	51	89	261	62	1,226
1951	121	189	575	60	117	270	80	1,412
1952	127	109	607	61	140	378	81	1,503
1953	135	76	652	64	154	424	83	1,588
1954	154	64	690	56	165	443	88	1,660
1955	208	62	762	59	186	465	100	1,842
1956	217	79	864	72	221	494	125	2,072
1957	245	208	958	78	240	533	129	2,391
1958	249	245	1,016	94	234	657	132	2,627
1959	261	275	1,087	191	264	880	143	3,101
1960	291	280	1,131	197	287	979	154	3,319
1961	315	304	1,270	211	298	1,110	156	3,664
1962	575	439	1,572	217	341	1,105	172	4,421
1963	657	479	1,713	225	372	1,134	193	4,773
1964	788	525	2,006	261	398	1,217	211	5,406
1965	1,099	545	2,265	313	474	1,379	253	6,328
1966	1,444	581	2,622	331	516	1,593	288	7,375
1967	1,855	638	3,019	367	603	1,951	300	8,733
1968	2,194	745	3,447	541	720	2,320	319	10,286
1969	2,545	819	3,933	776	863	2,678	357	11,971
1970	3,057	794	4,263	1,007	1,032	3,347	395	13,895
1971	3,640	869	4,566	1,031	1,202	4,274	436	16,018
1972	4,156	1,019	5,261	956	1,380	4,449	481	17,702
1973	4,875	1,436	6,198	984	1,812	4,734	575	20,614
1974	6,051	2,039	7,236	1,038	2,897	6,054	778	26,093
1975	6,933	2,114	7,547	1,046	3,701	7,577	912	29,830
1976	8,106	2,067	9,077	1,348	4,375	8,369	1,001	34,343
1977	11,083	2,099	10,039	1,521	5,200	9,665	1,113	40,720
1978	12,985	2,461	10,419	1,849	6,693	10,591	1,260	46,258
1979	13,824	3,179	11,912	2,056	8,379	11,515	1,426	52,291
1980	15,506	3,683	13,015	2,247	10,141	12,641	1,661	58,894
1981	19,216	3,510	15,119	2,409	11,361	13,871	1,982	67,468
1982	21,269	2,287	17,363	2,596	12,949	15,568	2,300	74,332
1983	23,055	3,211	19,475	3,030	13,919	17,155	2,664	82,509

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 55

Provincial Government Expenditures
National Income and Expenditure Accounts Basis
1947 – 1983

Year	Goods and services	Transfers to persons	Interest on the public debt	Subsidies	Capital assistance	Transfers to other levels of government	Gross capital formation	Total expenditures	Deficit (-) or surplus
D	40114 40352	40119 40357	40133 40371	40126 40364	40129 40367		40158 40396		40170 40408
	(Millions of dollars)								
1947	268	204	68	6	5	101	152	804	95
1948	318	266	68	4	9	129	193	967	15
1949	387	336	72	4	12	157	172	1,140	–58
1950	391	384	75	4	9	171	196	1,230	–4
1951	470	416	78	5	13	197	229	1,408	4
1952	502	334	83	6	12	215	290	1,442	61
1953	498	368	88	7	13	242	265	1,481	107
1954	519	417	94	5	12	259	301	1,607	53
1955	578	449	93	11	5	327	351	1,814	28
1956	688	485	101	9	11	362	460	2,116	–44
1957	703	547	116	12	9	452	536	2,375	16
1958	816	658	115	19	5	545	519	2,677	–50
1959	907	874	121	21	3	622	566	3,114	–13
1960	986	1,044	143	31	2	714	612	3,532	–213
1961	1,040	625	160	36	3	1,535	546	3,945	–281
1962	1,063	718	184	39	3	1,845	625	4,477	–56
1963	1,209	759	212	46	3	1,984	659	4,872	–99
1964	1,322	849	238	57	3	2,242	776	5,487	–81
1965	1,507	1,024	271	85	6	2,560	875	6,328	0
1966	1,890	1,173	317	139	3	3,041	986	7,549	–174
1967	2,307	1,647	385	118	18	3,546	1,046	9,067	–334
1968	2,716	2,030	485	119	22	4,012	958	10,342	–56
1969	2,957	2,369	638	146	22	4,495	1,025	11,652	319
1970	4,109	2,611	759	167	26	5,406	1,046	14,124	–229
1971	4,708	3,139	920	259	54	5,999	1,409	16,488	–470
1972	5,297	3,238	1,127	288	64	6,823	1,556	18,393	–691
1973	6,112	3,574	1,404	350	99	7,540	1,637	20,716	–102
1974	7,539	4,464	1,545	559	133	9,132	2,069	25,441	652
1975	9,634	5,482	1,839	675	198	11,340	2,418	31,586	–1,756
1976	10,796	6,642	2,327	946	197	12,796	2,182	35,886	–1,543
1977	12,410	7,507	2,690	1,098	165	15,200	2,384	41,454	–734
1978	13,990	8,368	3,399	1,226	154	15,719	2,653	45,509	749
1979	16,040	9,437	3,836	1,580	220	18,369	2,940	52,422	–131
1980	18,863	11,196	4,691	1,829	299	19,283	3,162	59,323	–429
1981	21,080	12,906	5,595	2,017	273	22,145	3,676	67,692	–204
1982	23,504	14,585	6,518	2,155	412	24,971	4,157	76,282	–1,950
1983	25,886	16,345	7,402	2,244	880	27,812	4,165	84,734	–2,225

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 56
Local Government Revenues
National Income and Expenditure Accounts Basis
1947 – 1983

Year	Direct taxes	Indirect taxes	Investment income	Transfers from persons	Transfers from other levels of government	Capital consumption allowances	Total revenues
D		40073 40311	40082 40320	40077 40315		40102 40340	
				(Millions of dollars)			
1947	5	360	58	3	101	59	586
1948	6	403	59	4	129	68	669
1949	6	445	54	4	157	74	740
1950	7	499	58	4	172	81	821
1951	—	608	25	11	199	102	945
1952	—	700	23	14	218	113	1,068
1953	—	758	24	18	245	122	1,167
1954	—	829	21	16	261	128	1,255
1955	—	902	14	19	334	138	1,407
1956	—	1,024	20	24	371	152	1,591
1957	—	1,148	20	26	468	163	1,825
1958	—	1,264	23	28	568	174	2,057
1959	—	1,444	24	31	646	187	2,332
1960	—	1,593	26	34	746	200	2,599
1961	—	1,701	28	41	874	212	2,856
1962	—	1,835	31	47	1,107	229	3,249
1963	—	1,953	39	44	1,200	250	3,486
1964	—	2,026	52	50	1,342	268	3,738
1965	—	2,231	58	56	1,514	299	4,160
1966	—	2,477	79	64	1,868	336	4,824
1967	—	2,765	95	74	2,122	364	5,420
1968	—	3,095	105	65	2,354	393	6,012
1969	—	3,462	99	56	2,595	450	6,662
1970	—	3,758	116	64	3,192	500	7,630
1971	—	4,002	140	68	3,583	538	8,331
1972	—	4,378	153	71	4,069	612	9,283
1973	—	4,651	170	78	4,501	683	10,083
1974	—	5,145	187	75	5,308	840	11,555
1975	—	6,013	223	81	6,703	986	14,006
1976	—	7,186	271	99	7,367	1,118	16,041
1977	—	8,103	317	112	9,197	1,264	18,993
1978	—	8,921	405	118	9,424	1,427	20,295
1979	—	9,960	393	146	11,400	1,602	23,501
1980	—	11,115	431	165	11,425	1,798	24,934
1981	—	12,442	472	177	13,165	2,045	28,301
1982	—	13,824	545	195	14,516	2,354	31,434
1983	—	14,923	585	206	16,257	2,680	34,651

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 57

Local Government Expenditures
National Income and Expenditure Accounts Basis
1947 – 1983

Year	Goods and services	Transfers to persons	Interest on the public debt	Transfers to other levels of government	Gross capital formation	Total expenditures	Deficit(-) or surplus
D	40115 40353	40120 40358	40134 40372		40159 40397		40171 40409
				(Millions of dollars)			
1947	424	19	38	7	117	605	– 19
1948	508	21	37	9	152	727	– 58
1949	578	23	39	10	173	823	– 63
1950	614	24	42	11	222	913	– 92
1951	707	28	45	13	301	1,094	– 149
1952	803	34	53	13	364	1,267	– 199
1953	864	38	61	15	364	1,342	– 175
1954	990	44	74	15	411	1,534	– 279
1955	1,094	41	84	22	436	1,677	– 270
1956	1,221	40	101	18	493	1,873	– 282
1957	1,357	45	127	28	553	2,110	– 285
1958	1,514	54	143	17	590	2,318	– 261
1959	1,682	65	169	24	641	2,581	– 249
1960	1,869	73	197	17	671	2,827	– 228
1961	1,968	79	223	34	680	2,984	– 128
1962	2,174	84	251	28	847	3,384	– 135
1963	2,373	86	266	33	926	3,684	– 198
1964	2,635	85	294	31	834	3,879	– 141
1965	3,015	88	333	37	1,054	4,527	– 367
1966	3,399	93	373	51	1,235	5,151	– 327
1967	3,881	102	430	70	1,274	5,757	– 337
1968	4,438	133	475	64	1,338	6,448	– 436
1969	5,142	143	516	66	1,337	7,204	– 542
1970	5,803	213	595	64	1,425	8,100	– 470
1971	6,277	260	695	64	1,550	8,846	– 515
1972	6,836	246	721	69	1,582	9,454	– 171
1973	7,757	250	825	60	1,676	10,568	– 485
1974	9,072	216	873	61	2,152	12,374	– 819
1975	10,801	257	943	70	2,503	14,574	– 568
1976	12,600	272	1,194	71	2,673	16,810	– 769
1977	14,145	268	1,411	70	2,940	18,834	159
1978	15,516	309	1,663	84	2,934	20,506	– 211
1979	16,628	339	1,752	116	3,218	22,053	1,448
1980	18,888	393	1,922	129	3,674	25,006	– 72
1981	21,441	433	2,051	121	4,097	28,143	158
1982	24,361	476	2,432	99	4,479	31,847	– 413
1983	26,159	526	2,806	117	4,529	34,137	514

Source: Statistics Canada, *National Income and Expenditure Accounts*.

Reference Table 58
Hospital Revenues and Expenditures
National Income and Expenditure Accounts Basis
1961 – 1983

Year	Revenues Invest-ment income	Transfers from other levels of government	Transfers from persons	Capital consumption allowances	Total revenues	Expenditures Goods and services	Interest on the public debt	Gross capital forma-tion	Total expendi-tures	Deficit(-) or surplus
D	40083 40321		40078 40316	40103 40341		40116 40354	40555 40668	40160 40398		40172 40410
					(Millions of dollars)					
1961	2	713	2	46	763	614	15	150	779	– 16
1962	2	795	3	49	849	683	16	158	857	– 8
1963	3	852	3	54	912	783	18	152	953	– 41
1964	3	966	3	58	1,030	886	19	149	1,054	– 24
1965	3	1,135	3	65	1,206	1,007	19	150	1,176	30
1966	4	1,295	3	73	1,375	1,177	21	191	1,389	– 14
1967	4	1,535	3	79	1,621	1,386	21	198	1,605	16
1968	4	1,774	3	85	1,866	1,625	22	217	1,864	2
1969	4	2,014	4	93	2,115	1,874	24	213	2,111	4
1970	5	2,328	4	104	2,441	2,137	34	224	2,395	46
1971	5	2,529	4	115	2,653	2,397	33	241	2,671	– 18
1972	6	2,932	4	125	3,067	2,672	36	223	2,931	136
1973	7	3,172	4	140	3,323	3,044	41	255	3,340	– 17
1974	11	3,996	4	164	4,175	3,754	46	293	4,093	82
1975	10	4,800	4	186	5,000	4,564	51	308	4,923	77
1976	26	5,653	22	205	5,906	5,201	61	346	5,608	298
1977	33	6,375	25	227	6,660	5,613	66	346	6,025	635
1978	38	6,663	27	265	6,993	6,177	66	405	6,648	345
1979	56	7,324	29	304	7,713	6,754	80	388	7,222	491
1980	63	8,177	32	344	8,616	7,953	87	502	8,542	74
1981	75	9,317	34	389	9,815	9,202	94	584	9,880	– 65
1982	100	10,760	38	446	11,344	10,445	102	644	11,191	153
1983	120	11,887	42	505	12,554	11,454	113	788	12,355	199

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 59
Federal Government
Liabilities and Assets
Financial Flow Accounts Basis
1967 – 1982

	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	19 79	1980	1981	1982
							(Millions of dollars)									
Liabilities																
Currency and deposits	380	446	480	504	529	554	618	704	773	821	882	962	1,050	1,111	1,169	1,356
Payables	32	34	50	62	65	57	50	81	92	88	119	173	167	175	146	127
Loans	271	209	65	11	59	85	147	207	262	250	253	3,614	2,107	2,843	1,789	1,695
Pensions[1]	1,284	1,295	1,283	1,277	1,268	1,265	1,238	1,218	1,197	1,173	1,187	1,162	1,149	1,136	1,117	1,097
Claims by associated enterprises	73	100	118	132	147	167	184	243	313	331	353	440	477	658	825	950
Other liabilities	1,006	1,261	1,173	1,581	1,856	2,558	2,703	3,442	3,880	3,965	3,567	4,342	4,892	6,679	9,027	9,778
Unmatured debt	20,779	22,231	22,797	24,655	27,431	29,021	28,915	33,294	37,280	41,458	49,601	60,314	68,182	80,152	92,421	111,599
Total liabilities	23,825	25,586	25,988	28,222	31,353	33,707	33,855	39,189	43,777	48,078	55,982	71,207	78,024	92,754	106,494	126,602
Financial assets																
Currency and deposits	335	336	1,057	1,143	1,905	2,163	1,687	4,246	3,494	2,671	4,020	5,985	1,709	3,453	6,761	6,021
Receivables	6	6	8	9	10	19	20	30	52	55	77	105	153	192	150	187
Loans	2,053	2,270	2,445	2,648	3,065	3,412	4,076	4,565	5,083	5,493	6,095	6,570	7,243	7,701	7,961	8,462
Finance and other short-term paper	12	10	11	6	8	13	12	12	18	18	26	18	6	11	14	21
Mortgages	404	457	525	548	556	553	552	569	554	519	479	427	377	337	300	270
Bonds and treasury bills																
Federal government	419	544	559	511	33	39	20	20	20	31	25	19	162	85	102	114
Provincial governments	12	21	20	12	18	15	17	15	14	12	14	16	17	14	16	16
Municipal bonds	7	—	—	11	—	—	—	—	—	—	—	—	—	—	—	—
Other	8	14	19	23	25	27	29	35	39	37	36	29	30	34	34	30
Claims on associated enterprises	11,500	12,625	13,459	15,688	17,744	18,900	19,189	21,113	22,280	23,974	24,893	26,821	27,863	30,207	32,073	30,263
Stocks	15	19	26	53	76	100	127	154	187	64	56	58	54	55	378	506
Foreign investments	166	92	60	28	3	5	5	13	6	5	4	3	5	9	8	9
Other financial assets	1,533	1,763	1,433	1,208	1,394	1,602	1,921	2,836	2,930	2,456	1,911	2,300	2,883	2,303	2,519	3,109
Total financial assets	16,472	18,157	19,622	21,888	24,857	26,846	27,655	33,610	34,677	35,335	37,638	42,351	40,502	44,401	50,316	49,008
Excess of liabilities over financial assets	7,353	7,429	6,344	6,334	6,496	6,859	6,200	5,579	9,100	12,741	18,324	28,856	37,522	48,353	56,178	77,594

[1] This mainly represents the balance in government annuities.

Source: Statistics Canada, *Financial Flow Accounts.*

Reference Table 60

Provincial and Local Governments and Hospitals
Liabilities and Assets
Financial Flow Accounts Basis
1967 – 1982

	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
	(Millions of dollars)															
Liabilities																
Payables	423	475	502	653	656	755	791	1,012	1,158	1,319	2,003	2,228	3,589	3,692	3,975	4,142
Loans	1,592	1,761	1,967	2,198	2,158	2,520	3,245	4,139	4,626	4,730	4,994	5,537	6,320	6,994	9,027	9,116
Finance and other short-term paper	—	—	118	174	313	435	343	230	634	318	297	505	280	609	1,243	3,086
Mortgages	121	190	143	159	157	177	158	168	187	136	57	38	49	51	53	55
Claims by associated enterprises	73	80	77	191	232	385	353	437	549	714	627	728	947	1,284	1,383	1,513
Other liabilities	1,643	1,655	1,685	1,892	1,999	1,717	2,386	2,621	2,658	3,348	3,171	3,457	2,714	2,445	3,828	3,770
Unmatured debt																
Provincial governments	8,098	9,431	10,757	12,208	13,774	15,860	17,443	19,729	23,451	27,219	31,738	36,390	40,140	45,368	52,282	61,862
Municipal governments	7,527	8,147	8,674	9,221	10,025	10,679	11,372	12,278	13,678	15,219	17,243	18,428	18,698	20,704	23,007	24,069
Other	342	351	391	388	400	408	412	448	474	509	536	586	381	369	382	495
Total liabilities	19,819	22,090	24,334	27,084	29,714	32,936	33,503	41,062	47,615	53,512	60,666	67,897	73,098	81,516	94,978	107,888
Financial assets																
Currency and deposits	647	791	1,256	1,529	1,422	2,123	2,361	2,597	1,953	2,797	3,945	4,983	7,865	7,814	9,848	10,039
Receivables	145	160	188	224	240	295	301	358	525	659	618	593	501	620	707	826
Loans	472	555	631	1,458	1,746	1,950	2,183	2,316	2,567	2,810	2,631	2,750	2,873	2,987	3,377	3,658
Finance and other short-term paper	14	17	21	34	45	66	79	83	85	163	463	597	497	490	545	538
Mortgages	284	356	462	660	924	1,103	1,291	1,580	1,922	2,281	2,545	2,781	2,784	2,969	3,265	3,693
Bonds and treasury bills																
Federal government	293	326	305	268	238	217	207	186	214	352	607	1,293	1,792	3,230	2,492	3,008
Provincial governments	1,647	1,712	1,919	1,869	1,892	1,994	2,136	2,452	3,248	3,921	4,969	6,070	6,478	8,680	12,533	15,649
Municipal governments	1,758	2,136	2,472	2,870	3,237	3,547	3,774	4,328	4,847	5,422	5,974	6,579	6,619	7,589	8,278	9,676
Other	525	692	948	238	314	303	260	286	476	744	1,057	1,153	1,127	1,290	1,258	1,225
Claims on associated enterprises	4,119	4,585	5,242	6,357	6,913	7,547	8,366	9,924	11,377	12,485	15,117	17,884	20,420	21,543	23,842	25,958
Stocks	16	31	45	168	173	159	124	213	229	252	216	254	146	157	892	1,261
Other financial assets	2,270	2,428	2,534	2,564	2,772	2,287	3,425	4,145	3,851	3,449	3,284	4,818	7,113	9,123	8,992	9,226
Total financial assets	12,190	13,791	16,023	18,259	19,916	21,591	24,527	28,468	31,294	35,335	41,446	49,755	58,214	66,492	76,029	84,757
Excess of liabilities over financial assets	7,629	8,299	8,311	8,825	9,798	11,345	11,976	12,594	16,321	18,177	19,220	18,142	14,884	15,024	18,949	23,131

Source: Statistics Canada, *Financial Flow Accounts*.

Reference Table 61
Government of Canada
Statement of Financial Transactions
(Fiscal year ended March 31)
1974 – 1983
Summary[1]

	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
					(Millions of dollars)					
I Budgetary transactions										
A Revenues	21,346	27,581	29,512	32,020	32,093	34,313	38,936	45,398	54,068	55,123
B Expenditures	−22,730	−29,314	−34,975	−38,230	−42,382	−46,539	−50,416	−58,066	−67,674	−79,776
Surplus or deficit (−)	−1,384	−1,733	−5,463	−6,210	−10,289	−12,226	−11,480	−12,668	−13,606	−24,653
II Non-budgetary transactions										
A Loans, investments and advances	−1,337	−1,948	−2,915	−2,151	−1,770	−1,102	−1,428	−523	−1,239	−21
B Specified purpose accounts	697	1,316	1,919	2,014	2,771	2,780	2,047	2,781	4,345	−220
C Other transactions	507	226	1,685	799	839	−565	416	293	2,169	1,638
Net source or requirement (−)	−133	−406	689	662	1,840	1,113	1,035	2,551	5,275	1,397
Financial requirements (excluding foreign exchange)	−1,517	−2,139	−4,774	−5,548	−8,449	−11,113	−10,445	−10,117	−8,331	−23,256
III Foreign exchange transactions	131	593	−5	1,281	1,186	4,262	−128	1,157	−347	−1,177
Total financial requirements[2]	−1,386	−1,546	−4,779	−4,267	−7,263	−6,851	−10,573	−8,960	−8,678	−24,433
IV Unmatured debt transactions[3]	197	3,940	4,627	4,812	8,172	8,778	7,878	11,153	9,367	22,392
Change in cash balance[4]	−1,189	2,394	−152	545	909	1,927	−2,695	2,193	689	−2,041
V Level of cash balance at end of period	810	3,204	3,052	3,597	4,506	6,433	3,738	5,931	6,620	4,579
Canadian dollar balance	801	3,186	3,037	3,580	4,467	6,374	3,661	5,828	6,594	4,193

[1] The Post Office is treated as a Crown Corporation.
[2] Cash requirement (−).
[3] Excluding change in unmatured debt outstanding payable in foreign currency.
[4] Cash decrease (−).

Reference Table 61 (continued)
Government of Canada
Statement of Financial Transactions
(Fiscal year ended March 31)
1974 – 1983

	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
					(Millions of dollars)					
I Budgetary transactions										
A Revenues										
Personal income tax	9,226	11,710	12,709	14,634	13,988	14,656	16,808	19,837	24,046	26,330
Corporate income tax	3,710	4,836	5,748	5,363	5,280	5,654	6,951	8,106	8,118	7,139
Other direct taxes	338	434	463	451	503	568	787	894	1,882	2,958
Sales tax	3,590	3,866	3,515	3,929	4,427	4,729	4,698	5,429	6,185	5,894
Other indirect taxes	2,765	4,640	4,628	4,778	4,762	5,045	5,664	6,384	7,724	6,986
Non-tax revenues	1,717	2,095	2,419	2,865	3,133	3,661	4,028	4,748	6,113	5,816
Total revenues	21,346	27,581	29,512	32,020	32,093	34,313	38,936	45,398	54,068	55,123
B Expenditures										
Health and welfare	8,135	10,286	12,534	13,873	14,773	16,642	16,876	18,721	20,968	24,630
Economic development and support	2,903	4,290	5,474	5,120	5,624	5,174	6,482	8,118	7,037	9,364
Public debt	2,566	3,239	3,972	4,721	5,560	7,068	8,524	10,687	15,168	16,971
Defence	2,775	3,162	3,632	4,161	4,626	4,989	5,333	6,067	7,169	8,277
Fiscal transfer payments to provinces	1,678	2,399	2,378	2,988	3,101	2,921	3,424	3,643	4,393	5,221
Transportation and communications	1,211	1,727	1,913	2,043	2,137	2,227	2,098	2,524	3,227	3,477
General government services	965	1,237	1,509	1,866	1,959	2,143	2,269	2,452	3,002	3,273
Internal overhead	728	889	989	1,104	1,308	1,452	1,332	1,419	1,838	1,741
Education assistance	617	641	701	672	1,402	1,666	1,798	1,884	1,923	1,878
Culture and recreation	559	638	681	712	883	1,053	1,016	1,163	1,370	1,864
Foreign affairs	477	625	754	790	910	960	1,053	1,081	1,378	1,580
Total allocated expenditures	22,614	29,133	34,537	38,050	42,283	46,295	50,205	57,759	67,474	78,276
Provision for valuation of assets and liabilities	116	181	438	180	99	244	211	307	200	1,500
Total expenditures	22,730	29,314	34,975	38,230	42,382	46,539	50,416	58,066	67,674	79,776
Budgetary surplus or deficit (–)	– 1,384	– 1,733	– 5,463	– 6,210	– 10,289	– 12,226	– 11,480	– 12,668	– 13,606	– 24,653

Reference Table 61 (continued)

Government of Canada
Statement of Financial Transactions
(Fiscal year ended March 31)
1974 – 1983

	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
					(Millions of dollars)					
II Non-budgetary transactions										
A Loans, investments and advances										
Crown corporations and agencies										
Lending institutions	(–686)	(–1,071)	(–1,909)	(–1,623)	(–1,144)	(–522)	(–763)	(–111)	(–570)	(–259)
Canada Deposit Insurance Corporation	—	—	—	—	10	—	—	—	–200	60
Canada Mortgage and Housing Corporation	–375	–735	–1,058	–837	–532	–52	–386	–66	–199	–30
Export Development Corporation	–141	–93	–357	–202	–84	64	155	124	52	–40
Farm Credit Corporation	–170	–243	–297	–277	–297	–267	–307	–270	–348	–394
Federal Business Development Bank	—	—	–197	–307	–241	–267	–245	101	125	145
All other Crown corporations	(–339)	(–492)	(–925)	(–393)	(–323)	(–489)	(–373)	(537)	(–466)	(–774)
Air Canada	—	–145	3	83	3	–341	16	13	14	16
Atomic Energy of Canada	–44	–81	–202	–149	–201	–242	–216	697	8	3
Canadian National Railways	–205	–143	–213	–40	–99	385	–108	–8	—	–41
Canada Development Investment Corporation	—	—	—	—	—	—	—	—	—	–396
Petro-Canada	—	—	–237	–257	–150	–280	–80	–440	–129	–457
Other	–90	–123	–276	–30	124	–11	15	275	–359	101
Other loans	(–428)	(–566)	(–519)	(–315)	(–402)	(–335)	(–503)	(–219)	(–403)	(–488)
Finance-employment loans	–108	–67	–47	45	14	8	8	8	9	9
Regional Economic Expansion	–61	–52	–29	–17	4	–2	8	7	14	14
Canada Development Corporation	–75	–50	—	–10	—	—	—	—	—	—
Loans to developing countries	–141	–179	–215	–182	–198	–239	–242	–254	–282	–266
International organizations	–55	–97	–181	–159	–179	–173	–134	–110	–166	–213
Other	12	–121	–47	–12	–43	71	–143	130	22	–32
Total loans, investments and advances not including allowance	–1,453	–2,129	–3,353	–2,331	–1,869	–1,346	–1,639	207	–1,439	–1,521
Allowance for valuation	116	181	438	180	99	244	211	–730	200	1,500
Total loans, investments and advances	–1,337	–1,948	–2,915	–2,151	–1,770	–1,102	–1,428	–523	–1,239	–21
B Specified purpose accounts										
Canada Pension Plan	41	53	76	98	93	124	113	173	170	165
Unemployment insurance account	–282	136	234	276	261	271	–150	–682	–15	–3,289
Superannuation accounts	1,001	1,261	1,502	1,656	1,888	1,956	1,966	2,307	3,014	3,483
Government annuities	–19	–21	–10	–1	–9	–10	–14	–15	–21	–22
Other	8	12	20	24	34	36	28	29	49	58
Total annuity, insurance and pension accounts	749	1,441	1,822	2,053	2,267	2,377	1,943	1,812	3,197	395
Provincial tax collection account	–44	–196	67	–121	330	366	118	728	–56	–384
Other deposit and trust accounts	–8	71	30	82	174	37	–14	241	1,204	–231
Total deposit and trust accounts	–52	–125	97	–39	504	403	104	969	1,148	–615
Total specified purpose accounts	697	1,316	1,919	2,014	2,771	2,780	2,047	2,781	4,345	–220

Reference Table 61 (continued)

Government of Canada
Statement of Financial Transactions
(Fiscal year ended March 31)
1974 – 1983

	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
					(Millions of dollars)					
C Other transactions										
Interest and matured debt	294	455	667	696	904	–509	–38	186	1,933	1,615
Accounts payable and accrued salaries	444	–109	–33	623	–521	214	91	772	178	549
Cash in transit	–854	–72	665	–169	–188	3	–130	–693	16	–736
Outstanding cheques, warrants and money orders	539	5	366	–381	632	–243	506	9	29	208
Other	84	–53	20	10	12	–30	–13	19	13	2
Total other transactions	507	226	1,685	799	839	–565	416	293	2,169	1,638
Total non-budgetary requirements	–133	–406	689	662	1,840	1,113	1,035	2,551	5,275	1,397
III Foreign exchange transactions Source or requirement (–)										
Exchange Fund account	175	673	39	1,537	248	–2,375	2,143	1,263	–237	–1,990
International Monetary Fund										
Subscriptions	–105	44	–89	110	–310	–482	–7	–930	181	64
Notes payable	137	–74	73	–364	260	690	39	715	–2	–44
Unmatured debt payable in foreign currency	–76	–50	–28	–2	855	6,186	–2,516	–66	–219	817
Special Drawing Rights	—	—	—	—	133	243	213	175	–70	–24
Total foreign exchange transactions	131	593	–5	1,281	1,186	4,262	–128	1,157	–347	–1,177
IV Unmatured debt transactions Increase or decrease (–)										
Marketable bonds	93	672	1,137	2,265	3,439	8,146	6,417	7,834	3,000	4,989
Treasury bills	615	725	865	1,760	3,040	2,240	2,790	5,445	–2,395	9,750
Canada Savings Bonds	–583	2,509	2,602	787	1,707	1,236	–1,166	–2,269	9,166	7,663
Securities issued to Canada Pension Plan	8	9	10	10	12	12	17	23	18	17
Notes and loans payable in foreign currencies	—	—	—	—	850	3,390	–2,528	–5	–585	703
Less:										
Unmatured debt payable in foreign currency	76	50	28	2	–855	–6,186	2,516	66	219	–817
Canada Savings Bonds held for employees	–4	–13	–1	–5	–7	–15	–6	–1	–24	–6
Securities issued to Canada Pension Plan	–8	–9	–10	–10	–12	–12	–17	–23	–18	–17
Securities investment account(1)	—	–3	–4	3	–2	–33	–145	83	–14	110
Total unmatured debt transactions	197	3,940	4,627	4,812	8,172	8,778	7,878	11,153	9,367	22,392
V Level of cash balance at end of period										
In Canadian dollars	801	3,186	3,037	3,580	4,487	6,374	3,661	5,826	6,541	4,193
In foreign currency	9	18	15	17	19	59	77	105	79	386

(1) Including investments held for retirement of unmatured debt.

Source: Public Accounts of Canada and Department of Finance.

Reference Table 62
Government of Canada
Liabilities and Assets
Public Accounts Presentation
(As at March 31)
1927 – 1983

	1927	1937	1947	1957	1962	1967	1972	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
								(Millions of dollars)									
Liabilities																	
Specified purpose accounts	109	243	1,060	3,240	3,867	6,693	9,978	11,217	12,533	14,452	16,466	19,237	22,017	24,064	26,845	31,190	30,970
Foreign liabilities	538	859	160	351	130	366	336	258	208	166	164	1,019	7,205	4,690	4,624	4,405	5,222
Other liabilities[1]	181	24	804	1,156	1,073	1,933	3,095	5,395	5,506	6,025	6,937	7,906	7,336	7,851	8,818	10,971	13,345
Unmatured debt—net of own holdings																	
Marketable bonds	2,436	3,125	13,601	9,144	10,861	11,188	13,666	13,809	14,480	15,609	17,877	21,314	28,427	35,699	43,616	46,602	51,701
Canada Savings Bonds	—	—	483	2,421	4,042	5,981	9,669	10,351	12,848	15,444	16,226	17,926	19,147	17,975	15,705	24,847	32,504
Treasury bills	—	150	1,280	1,625	1,885	2,310	3,830	4,905	5,630	6,495	8,255	11,295	13,536	16,325	21,770	19,375	29,125
Notes payable to Canadian banks	—	—	—	—	—	—	—	—	—	—	—	850	4,240	1,712	1,707	1,122	1,825
Total unmatured debt held by outside parties	2,436	3,275	15,364	13,190	16,788	19,479	27,165	29,065	32,958	37,548	42,358	51,385	66,349	71,711	82,798	91,946	115,155
Less: unmatured debt payable in foreign currency	538	859	160	351	130	366	336	258	208	166	164	1,019	7,205	4,690	4,624	4,405	5,222
Total unmatured debt payable in Canadian currency	1,898	2,416	15,204	12,839	16,658	19,113	26,829	28,807	32,750	37,382	42,194	50,366	59,144	67,021	78,174	87,541	109,933
Total liabilities[1]	2,726	3,542	17,228	17,586	21,728	28,105	40,238	45,677	50,997	58,025	65,761	78,528	95,702	103,626	118,461	134,107	159,470
Assets																	
Loans, investments and advances	243	429	2,805	4,281	4,053	7,087	13,600	16,147	18,095	21,010	23,161	24,931	26,033	27,461	27,984	29,223	29,244
Foreign assets	—	—	1,025	2,183	2,095	3,146	5,537	5,403	4,760	4,737	3,454	3,123	5,048	2,660	1,437	1,565	3,559
Other assets	135	29	350	113	813	857	2,290	2,933	5,215	3,888	4,546	5,585	7,506	4,910	7,777	8,450	7,145
Total assets	378	458	4,180	6,577	6,961	11,092	21,427	24,483	28,070	29,635	31,161	33,639	38,587	35,031	37,198	39,238	39,948
Excess of recorded liabilities over recorded assets[1]	2,348	3,084	13,048	11,009	14,767	17,013	18,811	21,194	22,927	28,390	34,600	44,889	57,115	68,595	81,263	94,869	119,522

[1] Total liabilities are normally referred to as the *gross debt of Canada* whereas the excess of recorded liabilities over recorded assets is normally referred to as the *net debt of Canada.*

Note: The liabilities and assets for the years 1972 to 1983 are adjusted to charge loan write-offs and provisions in the years in which the funds were expended rather than the years in which the write-offs or provisions were made. In addition, the government contribution to the Unemployment Insurance Account is treated for these years on a current basis. Undisbursed balances of appropriations to special accounts are eliminated and the unamortized portion of flotation costs of marketable bonds and Canada Savings Bonds is recorded as a charge to budgetary expenditure in the year in which the cost was incurred. Figures for the years prior to 1962 are thus not on a strictly consistent basis with figures for 1962 to 1983. For all years the old age security transactions are treated as budgetary.

Source: *Public Accounts of Canada* and Department of Finance.

Reference Table 63

Summary of Balance of Payments
1950 – 1983

Year	Merchandise exports	Merchandise imports	Merchandise trade balance	Service receipts	Service payments	Balance on goods and services	Net transfers	Balance on current account	Net capital movements inflows and outflows (–) Long-term forms	Short-term forms[1]	Special Drawing Rights allocations	Net official monetary movements[2]
D	50501	50526	50551	50502	50544	50558	50557	50555	50687		50710	50712
						(Millions of dollars)						
1950	3,139	3,132	7	1,019	1,360	–334	15	–319	610	431	—	722
1951	3,950	4,101	–151	1,102	1,479	–528	16	–512	666	–98	—	56
1952	4,339	3,854	485	1,217	1,516	186	1	187	455	–605	—	37
1953	4,152	4,212	–60	1,216	1,594	–438	–10	–448	649	–239	—	–38
1954	3,934	3,916	18	1,191	1,627	–418	–6	–424	599	–51	—	124
1955	4,332	4,543	–211	1,405	1,847	–653	–34	–687	414	229	—	–44
1956	4,837	5,565	–728	1,500	2,099	–1,327	–45	–1,372	1,490	–70	—	48
1957	4,894	5,488	–594	1,472	2,278	–1,400	–51	–1,451	1,320	26	—	–105
1958	4,890	5,066	–176	1,420	2,256	–1,012	–125	–1,137	1,153	93	—	109
1959	5,151	5,572	–421	1,503	2,456	–1,374	–113	–1,487	1,179	297	—	–11
1960	5,392	5,540	–148	1,590	2,549	–1,107	–126	–1,233	929	265	—	–39
1961	5,889	5,716	173	1,735	2,764	–856	–72	–928	930	290	—	292
1962	6,387	6,203	184	1,847	2,842	–811	–19	–830	688	296	—	154
1963	7,082	6,579	503	1,986	2,982	–493	–28	–521	637	29	—	145
1964	8,238	7,537	701	2,265	3,376	–410	–14	–424	750	38	—	364
1965	8,745	8,627	118	2,437	3,714	–1,159	29	–1,130	833	455	—	158
1966	10,326	10,102	224	2,719	4,157	–1,214	52	–1,162	1,228	–425	—	–359
1967	11,338	10,772	566	3,325	4,462	–571	72	–499	1,415	–896	—	20
1968	13,720	12,249	1,471	3,070	4,822	–281	184	–97	1,669	–1,223	—	349
1969	15,035	14,071	964	3,695	5,719	–1,060	143	–917	2,337	–1,355	—	65
1970	16,921	13,869	3,052	4,246	6,345	953	153	1,106	1,007	–583	133	1,663
1971	17,877	15,314	2,563	4,304	6,702	165	266	431	664	–318	119	896
1972	20,129	18,272	1,857	4,451	6,978	–670	284	–386	1,588	–983	117	336
1973	25,461	22,726	2,735	5,257	8,226	–236	344	108	628	–1,203	—	–467
1974	32,591	30,902	1,689	6,401	10,107	–2,017	557	–1,460	1,041	443	—	24
1975	33,511	33,962	–451	6,941	11,627	–5,137	380	–4,757	3,935	417	—	–405
1976	38,166	36,607	1,559	7,624	13,822	–4,639	530	–4,109	8,022	–3,390	—	522
1977	44,496	41,523	2,975	8,312	16,034	–4,747	413	–4,334	4,284	–1,371	—	–1,421
1978	53,362	49,047	4,315	9,945	19,227	–4,967	50	–4,917	3,221	–1,604	—	–3,299
1979	65,582	61,157	4,425	11,950	21,881	–5,506	666	–4,840	2,087	4,441	219	1,908
1980	77,086	68,293	8,793	14,305	25,423	–2,325	1,256	–1,069	1,191	–1,619	217	–1,281
1981	84,480	77,112	7,368	16,148	30,834	–7,318	1,552	–5,766	148	6,836	210	1,426
1982	84,577	66,239	18,338	16,861	33,624	1,575	1,442	3,017	9,090	–12,801	—	–694
1983	91,268	73,227	18,041	16,913	34,261	693	884	1,578	2,751	–3,782	—	548

[1] Includes net errors and omissions.

[2] Net official monetary movements include transactions in official international reserves and official monetary liabilities.

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001.

Reference Table 64

Bilateral Payments Balance with the United States 1950 – 1983

Year	Merchandise trade balance	Balance on goods and services	Balance on current account	Net capital movements inflows and outflows (−)		Net balance
				Long-term forms	Short-term forms	
D	51551	51556	51555	51687	51688	51690
			(Millions of dollars)			
1950	−50	−369	−385	625	220	460
1951	−520	−922	−945	560	−66	−451
1952	−473	−791	−830	387	−104	−547
1953	−590	−869	−907	440	−75	−542
1954	−440	−762	−800	395	54	−351
1955	−685	−981	−1,029	209	127	−693
1956	−1,167	−1,583	−1,650	1,034	−167	−783
1957	−947	−1,497	−1,579	963	−263	−879
1958	−532	−1,109	−1,167	950	−16	−233
1959	−536	−1,149	−1,221	927	68	−226
1960	−673	−1,266	−1,359	746	127	−486
1961	−615	−1,257	−1,341	953	205	−183
1962	−438	−1,019	−1,092	680	536	124
1963	−488	−1,070	−1,148	843	−49	−354
1964	−808	−1,565	−1,635	943	580	−112
1965	−1,041	−1,883	−1,937	1,074	−398	−1,261
1966	−993	−2,001	−2,030	1,393	−291	−928
1967	−569	−1,301	−1,342	1,317	−265	−290
1968	389	−744	−747	1,151	−639	−235
1969	472	−877	−845	1,669	−239	585
1970	1,121	−227	−165	989	47	871
1971	1,445	−215	−66	877	1,867	2,656
1972	1,513	−272	−137	1,059	−201	721
1973	1,242	−930	−834	1,134	−605	−305
1974	1,001	−1,639	−1,530	1,653	1,628	1,751
1975	−1,125	−4,903	−4,810	3,292	2,104	586
1976	690	−4,292	−4,217	4,649	141	573
1977	1,741	−4,068	−4,022	2,268	551	−1,203
1978	2,887	−4,396	−4,321	2,748	2,275	702
1979	602	−7,680	−7,581	814	3,070	−3,697
1980	1,631	−8,000	−7,852	661	−2,918	−10,109
1981	3,732	−7,706	−7,567	−1,933	13,482	3,982
1982	11,784	−938	−772	1,807	−4,728	−3,693
1983	14,413	2,081	2,229	−1,706	3,494	4,017

Note: Since errors and omissions are excluded, the regional breakdown of Canada's balance of international payments will not equal the total for transactions with all countries.

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments.*

Reference Table 65

Bilateral Payments Balance with the Rest of the World
1950 – 1983

Year	Merchandise trade balance	Balance on goods and services	Balance on current account	Net capital movements inflows and outflows(−)		Special Drawing Rights allocations	Net balance
				Long-term forms	Short-term forms		
			(Millions of dollars)				
1950	57	5	66	−15	110	—	161
1951	369	356	433	106	−94	—	445
1952	958	977	1,017	68	−112	—	973
1953	530	431	459	209	2	—	670
1954	458	344	376	204	−35	—	545
1955	474	328	342	205	72	—	619
1956	439	256	278	456	73	—	708
1957	353	97	128	357	47	—	532
1958	356	97	30	203	−2	—	231
1959	115	−225	−286	252	−68	—	−102
1960	525	159	126	183	37	—	346
1961	788	401	413	−23	−72	—	318
1962	622	208	262	8	−95	—	175
1963	991	577	627	−206	46	—	467
1964	1,509	1,155	1,211	−193	−655	—	363
1965	1,159	724	807	−241	1,092	—	1,658
1966	1,217	787	868	−165	48	—	751
1967	1,135	730	843	98	−130	—	811
1968	1,082	463	650	518	200	—	1,368
1969	492	−183	−72	668	−897	—	−301
1970	1,931	1,180	1,271	18	−243	133	1,046
1971	1,118	380	517	−213	−837	119	−533
1972	344	−398	−249	529	673	117	953
1973	1,493	694	942	−506	52	—	488
1974	688	−378	70	−612	−318	—	−860
1975	674	−234	53	643	−484	—	212
1976	869	−347	108	3,373	236	—	3,717
1977	1,234	−679	−312	2,016	339	—	2,043
1978	1,428	−571	−596	473	−753	—	−876
1979	3,823	2,174	2,741	1,273	3,981	219	7,995
1980	7,162	5,675	6,783	530	2,709	217	10,022
1981	3,636	388	1,801	2,081	2,402	210	6,284
1982	6,554	2,513	3,789	7,283	−4,030	—	7,042
1983	3,628	−1,388	−651	4,457	−713	—	3,093

Note: Since errors and omissions are excluded, the regional breakdown of Canada's balance of international payments will not equal the total for transactions with all countries.

Reference Table 66

International Payments: Current Account

1950 – 1983

Year	Current receipts							
	Merchandise exports (adjusted)	Gold production available for export	Travel	Interest and dividends	Freight and shipping	Other service receipts	Transfer receipts	Total current receipts
D	50501	50717	50506	50508	50512	50516	50717	50525
	(Millions of dollars)							
1950	3,139	163	275	94	284	203	126	4,284
1951	3,950	150	274	115	351	212	151	5,203
1952	4,339	150	275	152	383	269	160	5,728
1953	4,152	144	302	164	318	300	167	5,547
1954	3,934	155	305	147	313	283	169	5,306
1955	4,332	155	328	161	398	375	177	5,926
1956	4,837	147	337	142	457	430	194	6,544
1957	4,894	144	363	153	445	380	233	6,612
1958	4,890	157	349	167	401	365	171	6,500
1959	5,151	148	391	180	420	384	213	6,887
1960	5,392	162	420	171	442	393	235	7,215
1961	5,889	162	482	213	486	390	282	7,904
1962	6,387	155	562	202	509	419	314	8,548
1963	7,082	154	609	230	563	430	348	9,416
1964	8,238	145	662	332	644	482	384	10,887
1965	8,745	138	747	322	668	562	466	11,648
1966	10,326	127	840	318	758	676	555	13,600
1967	11,338	112	1,318	295	830	770	640	15,303
1968	13,720	33	953	353	891	840	674	17,464
1969	15,035	—	1,047	451	935	1,262	695	19,425
1970	16,921	—	1,206	528	1,126	1,386	765	21,932
1971	17,877	—	1,246	558	1,184	1,316	870	23,051
1972	20,129	—	1,230	665	1,241	1,315	903	25,483
1973	25,461	—	1,446	790	1,494	1,527	1,058	31,776
1974	32,591	—	1,694	882	1,812	2,013	1,360	40,352
1975	33,511	—	1,815	926	1,714	2,486	1,368	41,840
1976	38,166	—	1,930	825	2,082	2,787	1,509	47,299
1977	44,496	—	2,025	874	2,371	3,042	1,555	54,365
1978	53,362	—	2,378	1,208	2,714	3,645	1,592	64,899
1979	65,582	—	2,887	1,271	3,463	4,329	2,003	79,535
1980	77,086	—	3,349	1,577	3,980	5,419	2,675	94,066
1981	84,480	—	3,760	1,829	4,293	6,266	3,059	103,667
1982	84,577	—	3,724	1,587	3,924	7,626	3,179	104,617
1983	91,268	—	3,853	1,915	4,034	7,111	2,786	110,967

Reference Table 66 (continued)

International Payments: Current Account
1950 – 1983

Year	Current payments Merchandise imports (adjusted)	Travel	Interest and dividends	Freight and shipping	Other service payments	Official contributions	Other transfer payments	Total current payments
D	50526	50531	50533	50537	50545	50542		50550
				(Millions of dollars)				
1950	3,132	226	475	301	358	5	106	4,603
1951	4,101	280	452	354	405	9	114	5,715
1952	3,854	341	413	375	398	16	144	5,541
1953	4,212	365	406	374	461	25	152	5,995
1954	3,916	389	424	356	470	11	164	5,730
1955	4,543	449	473	415	510	24	199	6,613
1956	5,565	498	524	502	575	30	222	7,916
1957	5,488	525	594	515	645	40	256	8,063
1958	5,066	542	614	460	639	53	263	7,637
1959	5,572	598	671	525	662	72	274	8,374
1960	5,540	627	656	533	733	61	298	8,448
1961	5,716	642	764	568	790	56	296	8,832
1962	6,203	605	783	595	859	36	297	9,378
1963	6,579	585	860	648	889	65	311	9,937
1964	7,537	712	1,010	679	975	69	329	11,311
1965	8,627	796	1,086	761	1,071	93	344	12,778
1966	10,102	900	1,140	823	1,294	166	337	14,726
1967	10,772	895	1,211	861	1,495	182	386	15,802
1968	12,249	982	1,259	931	1,650	133	357	17,561
1969	14,071	1,261	1,366	996	2,096	144	408	20,342
1970	13,869	1,422	1,550	1,106	2,267	201	411	20,826
1971	15,314	1,448	1,699	1,196	2,359	201	403	22,620
1972	18,272	1,464	1,713	1,315	2,486	227	392	25,869
1973	22,726	1,742	2,050	1,560	2,876	253	461	31,668
1974	30,902	1,978	2,435	2,036	3,658	332	471	41,812
1975	33,962	2,542	2,879	2,147	4,059	513	495	46,597
1976	36,807	3,121	3,654	2,232	4,815	455	524	51,408
1977	41,523	3,666	4,715	2,397	5,256	543	599	58,699
1978	49,047	4,084	6,113	2,583	6,447	910	632	69,816
1979	61,157	3,955	6,640	3,159	8,127	645	692	84,375
1980	68,293	4,577	7,167	3,447	10,232	680	739	95,135
1981	77,112	4,876	8,451	3,853	13,654	718	789	109,453
1982	66,239	5,008	10,593	3,343	14,680	879	858	101,600
1983	73,227	5,940	11,275	3,562	13,485	983	917	109,389

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments.*

Reference Table 67

Merchandise Trade Detail: Exports
1963 – 1983

Year	Wheat	Animals and other edible products	Ores and concentrates	Crude petroleum and natural gas	Other crude materials	Lumber	Woodpulp	Newsprint
D	3609					3629	3631	3632
				(Millions of dollars)				
1963	787	675	703	310	414	452	405	760
1964	1,024	817	803	360	453	477	461	835
1965	840	869	863	384	517	490	493	870
1966	1,061	906	934	430	583	474	520	968
1967	742	902	1,016	522	571	505	543	955
1968	684	929	1,262	600	605	656	628	990
1969	473	992	1,136	702	623	697	754	1,126
1970	687	1,181	1,522	855	707	664	785	1,111
1971	833	1,279	1,415	1,038	811	830	798	1,085
1972	927	1,428	1,397	1,315	848	1,174	830	1,158
1973	1,221	1,937	2,000	1,833	1,192	1,599	1,082	1,288
1974	2,065	1,806	2,376	3,914	1,504	1,290	1,889	1,726
1975	2,023	2,124	2,241	4,144	1,581	973	1,835	1,748
1976	1,732	2,563	2,512	3,903	1,872	1,649	2,186	2,003
1977	1,881	2,727	2,730	3,779	2,341	2,387	2,158	2,382
1978	1,913	3,389	2,404	3,763	2,664	3,229	2,181	2,886
1979	2,180	4,134	3,895	5,294	3,350	3,901	3,083	3,222
1980	3,862	4,401	4,210	6,883	3,667	3,353	3,873	3,684
1981	3,728	5,714	4,085	6,875	4,251	2,989	3,819	4,325
1982	4,287	5,939	3,187	7,483	4,108	2,912	3,212	4,080
1983	4,648	5,768	2,897	7,415	4,076	3,964	3,057	4,005

	Fabricated metals	Other fabricated materials	Motor vehicles and parts	Other machinery and equipment	Consumer goods and miscellaneous	Re-exports	Total
			3653				3471
				(Millions of dollars)			
1963	918	572	88	589	127	182	6,980
1964	1,049	680	177	811	147	209	8,303
1965	1,138	738	356	811	157	242	6,767
1966	1,227	823	1,012	956	195	255	10,043
1967	1,368	858	1,739	1,167	234	298	11,420
1968	1,605	975	2,672	1,340	303	373	13,624
1969	1,499	1,087	3,514	1,595	244	428	14,871
1970	1,996	1,311	3,499	1,666	418	419	16,820
1971	1,678	1,406	4,171	1,860	393	422	17,818
1972	1,716	1,700	4,718	2,014	446	479	20,150
1973	2,084	2,171	5,415	2,455	562	583	25,421
1974	2,760	3,030	5,717	2,868	732	767	32,442
1975	2,475	2,855	6,432	3,399	720	780	33,328
1976	3,015	3,375	8,225	3,670	946	825	38,475
1977	3,543	4,458	10,424	3,975	901	870	44,554
1978	4,684	6,175	12,540	5,230	1,201	924	53,183
1979	5,251	8,919	11,900	7,295	1,895	1,324	65,641
1980	8,112	10,323	10,924	8,507	2,648	1,713	76,159
1981	7,735	11,672	13,184	9,968	2,992	2,475	83,811
1982	6,772	10,911	16,507	9,953	2,480	2,706	84,534
1983	7,050	11,911	21,306	9,719	2,609	2,457	90,883

Source: Statistics Canada, *Summary of External Trade*, cat. 65-001.

Reference Table 68

Merchandise Trade Detail: Imports

1963 – 1983

Year	Animals and edible products	Crude petroleum	Other crude materials	Fabricated materials	Motor vehicles and parts	Other machinery and equipment	Other end products and miscellaneous	Total
								3535
D		3745		3746	3774			
				(Millions of dollars)				
1963	780	335	563	1,571	669	1,882	759	6,558
1964	795	321	640	1,813	818	2,190	911	7,488
1965	770	312	694	2,114	1,125	2,573	1,045	8,633
1966	805	299	724	2,233	1,581	3,048	1,382	10,072
1967	884	356	707	2,310	2,168	3,341	1,106	10,873
1968	918	373	754	2,435	3,001	3,477	1,401	12,358
1969	1,063	393	692	2,905	3,546	4,031	1,500	14,130
1970	1,116	415	757	2,886	3,252	3,991	1,536	13,952
1971	1,157	541	781	3,140	4,110	4,328	1,650	15,617
1972	1,401	681	859	3,579	4,934	5,184	2,032	18,669
1973	1,981	943	1,075	4,282	6,081	6,477	2,487	23,325
1974	2,516	2,646	1,426	6,482	7,124	8,414	3,113	31,722
1975	2,682	3,302	1,784	5,944	8,236	9,296	3,472	34,716
1976	2,871	3,280	1,811	6,211	9,440	9,641	4,240	37,494
1977	3,307	3,215	2,105	6,993	11,576	10,606	4,561	42,363
1978	3,782	3,457	2,425	8,748	13,386	13,115	5,195	50,108
1979	4,236	4,497	3,473	12,024	15,161	17,156	6,324	62,871
1980	4,803	6,919	4,425	12,708	13,609	19,725	7,084	69,274
1981	5,234	8,004	4,303	14,548	16,202	23,140	8,050	79,482
1982	4,946	4,985	3,723	11,797	15,170	19,393	7,913	67,926
1983	5,004	3,274	3,926	14,008	19,386	21,352	8,889	75,839

Source: Statistics Canada, *Summary of External Trade.*

Reference Table 69

International Payments: Capital Movements
1950 – 1983

Year	Direct invest-ment in Canada	Direct invest-ment abroad	Canadian securities				Foreign securities (Net)	Loans and capital subscriptions by Government of Canada		Export credits at risk of govt.	Other long-term capital transac-tio ns
			New issues	Retire-ments	Trade in outstand-ing bonds and deben-tures	Trade in outstand-ing common and preference stocks		Advances	Repay-ments		
D	50560	50564			65000	50576			50629	50632	50650
					(Millions of dollars)						
1950	225	35	210	–284	—	329	76	–50	74	—	–5
1951	320	–30	411	–184	—	38	15	—	68	—	28
1952	360	–85	323	–89	–168	73	–11	—	56	—	–4
1953	450	–70	335	–146	–52	21	–1	—	87	—	11
1954	425	–90	333	–205	–66	129	–24	—	72	—	25
1955	445	–85	166	–185	–165	137	–5	—	69	—	37
1956	650	–105	667	–141	11	187	–3	–4	69	—	159
1957	545	–80	800	–134	–45	142	1	–1	50	—	42
1958	430	–40	688	–158	—	88	1	–34	64	—	114
1959	570	–85	709	–258	92	110	–34	–1	34	—	38
1960	670	–50	448	–266	3	51	–19	–11	32	—	60
1961	560	–80	548	–301	61	39	–35	–8	38	—	103
1962	505	–105	729	–319	64	–115	–65	–22	129	–63	–64
1963	280	–135	984	–404	39	–170	22	–18	25	–72	75
1964	270	–95	1,100	–382	77	–98	–52	–10	10	–164	46
1965	535	–125	1,240	–390	55	–274	–85	–14	10	–187	54
1966	790	–5	1,465	–499	–104	–136	–401	–35	24	–41	144
1967	691	–125	1,307	–357	–57	12	–432	–38	34	107	229
1968	590	–225	1,917	–431	–70	114	–467	–78	5	29	197
1969	720	–370	2,089	–440	2	53	102	–89	22	–12	228
1970	905	–315	1,230	–552	–40	–145	70	–145	36	–129	61
1971	925	–230	1,191	–845	–96	–142	196	–190	36	–230	25
1972	620	–400	1,722	–603	292	–59	244	–249	37	–246	230
1973	830	–770	1,323	–738	29	–24	69	–269	43	–189	323
1974	845	–810	2,423	–626	41	–112	46	–350	39	–573	118
1975	725	–915	5,038	–851	302	5	–17	–377	38	–355	342
1976	–299	–590	9,036	–935	559	–80	78	–435	18	–210	883
1977	475	–740	5,952	–929	243	–92	223	–539	35	–521	176
1978	135	–2,325	6,673	–1,314	36	–397	26	–509	261	–881	1,518
1979	750	–2,550	5,241	–2,114	476	360	–581	–551	33	–877	1,900
1980	800	–3,150	5,562	–2,456	1,071	967	–182	–517	38	–1,186	227
1981	–4,400	–6,900	14,085	–3,228	1,266	–1,112	–99	–630	41	–847	1,971
1982	–1,425	–200	16,190	–3,749	–130	–506	–539	–489	43	–2,239	2,135
1983	200	–2,525	10,597	–4,484	565	–299	–1,161	–658	46	255	216

Reference Table 69 (continued)

International Payments: Capital Movements

1950 – 1983

Year	Change in certain Canadian assets of non-residents							Net errors and omissions	Net capital movements excluding monetary items shown in the following columns[2]	Special Drawing Rights allocations	Net official monetary assets	
	Canadian dollar deposits	Government of Canada demand liabilities	Treasury bills	Short-term paper[1]	Other finance company obligations	Residential holdings of foreign currencies	All other transactions				Official international reserves	Official international liabilities
D	50652	58654	50656		50676		50683	50693		50710	50713	50714
					(Millions of dollars)							
1950	235	-4	-3	—	—	11	91	101	1,041	—	722	—
1951	-190	-8	2	—	—	-14	50	62	568	—	56	—
1952	-66	-5	1	—	35	-165	-16	-389	-150	—	37	—
1953	-22	-11	-2	—	-2	-80	44	-166	410	—	-38	—
1954	27	-15	8	—	10	-75	64	-70	548	—	124	—
1955	60	-9	29	—	23	91	5	30	643	—	-44	—
1956	-30	—	3	—	64	-216	85	24	1,420	—	48	—
1957	-15	—	-18	—	4	-274	87	242	1,346	—	-105	—
1958	39	45	21	—	24	-58	-89	111	1,246	—	109	—
1959	10	-8	14	—	68	-119	15	317	1,476	—	-11	—
1960	79	-12	56	—	59	-60	42	101	1,194	—	-39	—
1961	33	-2	-58	—	95	142	-77	157	1,220	—	296	-4
1962	-10	-4	4	—	119	92	240	-145	984	—	307	-153
1963	43	1	-27	70	35	-259	134	32	666	—	56	89
1964	28	—	-16	185	52	-329	5	113	788	—	297	67
1965	31	2	12	-152	209	415	177	-239	1,289	—	158	—
1966	11	5	-15	3	154	-520	119	-162	803	—	-360	1
1967	24	-4	4	-51	35	-382	-41	-501	519	—	17	3
1968	72	21	48	-132	24	-449	-23	-784	446	—	350	-1
1969	52	-34	20	218	116	-1,434	-74	-219	982	—	65	—
1970	26	-7	-79	310	-109	-154	-183	-387	424	133	1,662	1
1971	95	50	-3	77	-25	854	-18	-1,348	346	119	696	—
1972	139	27	22	-181	-30	448	47	-1,455	605	117	336	—
1973	143	77	-24	140	12	-519	-382	-650	-575	—	-467	—
1974	597	45	77	80	158	238	117	-867	1,484	—	24	—
1975	561	-4	37	350	-89	272	493	-1,203	4,352	—	-405	—
1976	157	8	439	522	47	-1,290	494	-3,767	4,632	—	522	—
1977	229	172	242	221	-31	729	-671	-2,261	2,913	—	-1,421	—
1978	37	55	-53	84	-66	2,105	-639	-3,126	1,617	—	-185	-3,114
1979	525	217	-179	677	-1	4,179	1,633	-2,610	6,528	219	-856	2,766
1980	-60	172	542	509	69	822	-2,261	-1,410	-428	217	-543	-736
1981	1,394	165	-2	1,217	471	10,728	1,914	-9,048	6,984	210	382	1,044
1982	-731	—	107	-952	53	-7,072	-165	-4,043	-3,711	—	-665	-29
1983	-711	221	984	1,186	-265	2,271	-904	-6,563	-1,031	—	549	—

[1] Included in "all other transactions" for 1950 and 1951; included in "other finance company obligations" from 1952 to 1962.

[2] Includes net errors and omissions.

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments.*

Reference Table 70

Net Proceeds from New Issues of Canadian Securities to Non-Residents 1950 – 1983

Year	Government of Canada bonds (including guaranteed)			Provincial government bonds (including guaranteed)			Municipal government bonds			Total government bonds		
	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds
D	65006	65011		65007	65012		65008	65013				
						(Millions of dollars)						
1950	62	159	−97	96	n.a.	n.a.	20	n.a.	n.a.	178	159	19
1951	7	94	−87	262	43	219	72	12	60	341	149	192
1952	1	18	−17	107	38	69	55	17	38	163	73	90
1953	6	84	−78	143	28	115	76	15	61	225	127	98
1954	8	69	−61	126	63	63	46	28	18	180	160	20
1955	5	100	−95	3	19	−16	44	18	26	52	137	−85
1956	9	83	−74	224	15	209	112	18	94	345	116	229
1957	16	29	−13	136	25	111	123	24	99	275	78	197
1958	76	25	51	168	45	123	148	30	118	392	100	292
1959	56	101	−45	334	41	293	157	33	124	547	175	372
1960	30	58	−28	103	57	46	135	38	97	268	153	115
1961	37	48	−11	66	24	42	47	38	9	150	110	40
1962	156	86	70	148	22	126	74	41	33	378	149	229
1963	173	76	97	343	70	273	62	77	−15	578	223	355
1964	43	88	−45	439	66	373	182	53	129	664	207	457
1965	28	85	−57	297	31	266	84	53	31	409	169	240
1966	32	203	−171	448	64	384	177	96	81	657	364	293
1967	20	95	−75	762	61	701	173	52	121	955	208	747
1968	288	57	231	852	76	776	124	60	64	1,264	193	1,071
1969	40	83	−43	1,063	91	972	177	88	89	1,280	262	1,018
1970	26	157	−131	528	112	416	65	92	−27	619	361	258
1971	28	31	−3	725	317	408	26	99	−73	779	447	332
1972	30	44	−14	1,140	220	920	169	98	71	1,339	362	977
1973	18	110	−92	857	234	623	109	117	−8	984	461	523
1974	14	55	−41	1,713	211	1,502	234	96	138	1,961	362	1,599
1975	46	92	−46	3,334	342	2,992	541	82	459	3,921	516	3,405
1976	369	148	221	4,938	308	4,630	782	120	662	6,089	576	5,513
1977	726	146	580	3,109	311	2,798	376	98	278	4,211	555	3,656
1978	3,095	211	2,884	2,053	586	1,467	130	194	−64	5,278	991	4,287
1979	1,761	212	1,549	1,987	870	1,117	179	432	−253	3,927	1,514	2,413
1980	1,249	261	988	1,415	1,068	347	263	348	−85	2,927	1,677	1,250
1981	2,012	462	1,550	6,468	1,141	5,327	433	219	214	8,913	1,822	7,091
1982	3,966	837	3,129	7,352	1,521	5,831	719	238	481	12,037	2,596	9,441
1983	2,375	1,982	393	5,203	1,390	3,813	333	210	123	7,911	3,582	4,329

Reference Table 70 (continued)

Net Proceeds from New Issues of Canadian Securities to Non-Residents
1950 – 1983

	Bonds and debentures of corporations			Total bonds and debentures			Common and preference stocks			Total securities		
Year	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds
D	65009	65014		65005	65010		50586	50587				
						(Millions of dollars)						
1950	28	n.a.	n.a.	206	n.a.	n.a.	n.a.	n.a.	n.a.	206	284	–78
1951	28	n.a.	n.a.	369	n.a.	n.a.	42	7	35	411	184	227
1952	136	15	121	299	88	211	24	1	23	323	89	234
1953	64	13	51	289	140	149	46	6	40	335	146	189
1954	133	35	98	313	195	118	20	10	10	333	205	128
1955	51	41	10	103	178	–75	63	7	56	166	185	–19
1956	252	20	232	597	136	461	70	5	65	667	141	526
1957	464	31	433	739	109	630	61	25	36	800	134	666
1958	253	42	211	645	142	503	43	16	27	688	158	530
1959	114	66	48	661	241	420	48	17	31	709	258	451
1960	154	104	50	422	257	165	26	9	17	448	266	182
1961	354	136	218	504	246	258	44	55	–11	548	301	247
1962	331	140	191	709	289	420	20	30	–10	729	319	420
1963	392	101	291	970	324	646	14	80	–66	984	404	580
1964	414	117	297	1,078	324	754	22	58	–36	1,100	382	718
1965	807	214	593	1,216	383	833	24	7	17	1,240	390	850
1966	751	131	620	1,408	495	913	57	4	53	1,465	499	966
1967	315	148	167	1,270	356	914	37	1	36	1,307	357	950
1968	586	233	353	1,850	426	1,424	67	5	62	1,917	431	1,486
1969	597	176	421	1,877	438	1,439	212	2	210	2,089	440	1,649
1970	541	187	354	1,160	548	612	70	4	66	1,230	552	678
1971	391	393	–2	1,170	840	330	21	5	16	1,191	845	346
1972	345	239	106	1,684	601	1,083	38	2	36	1,722	603	1,119
1973	300	275	25	1,284	736	548	39	2	37	1,323	738	585
1974	448	223	225	2,409	585	1,824	14	41	–27	2,423	626	1,797
1975	1,031	331	700	4,952	847	4,105	86	4	82	5,038	851	4,187
1976	2,868	303	2,565	8,955	878	8,077	81	57	24	9,036	935	8,101
1977	1,729	345	1,384	5,939	902	5,037	13	27	–14	5,952	929	5,023
1978	1,267	325	942	6,547	1,314	5,233	126	0	126	6,673	1,314	5,359
1979	1,151	600	551	5,079	2,113	2,966	162	1	161	5,241	2,114	3,127
1980	2,138	779	1,359	5,062	2,454	2,608	500	2	498	5,562	2,456	3,106
1981	4,695	1,405	3,290	13,606	3,227	10,379	479	1	478	14,085	3,228	10,857
1982	3,964	1,146	2,818	16,002	3,741	12,261	188	8	180	16,190	3,749	12,441
1983	1,609	894	715	9,523	4,474	5,049	1,074	10	1,064	10,597	4,484	6,113

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments.*

Reference Table 71

Canadian Chartered Banks' Head Office and Branches in Canada Net Change in Foreign Currency Positions[1]

1965 – 1983

Year	With U.S. residents:			Other non-residents:			Total non-residents:			With Canadian residents:			Changes in banks' own positi ons
	Assets	Liabili- ties	Net	Assets	Liabili- ties	Net	Assets	Liabili- ties	Net	Assets	Liabili- ties	Net	
	(Millions of dollars)												
1965	−208	−727	519	−440	505	−945	−648	−222	−426	276	−107	383	−43
1966	208	−309	517	−2	48	−50	206	−261	467	84	401	−317	150
1967	273	76	197	375	188	187	648	264	384	−103	363	−466	−82
1968	168	−296	464	725	701	24	893	405	488	−49	189	−238	250
1969	815	338	477	1,395	1,366	29	2,210	1,704	506	215	1,237	−1,022	−516
1970[2]	−33	22	−55	1,389	1,212	177	1,356	1,234	122	216	101	115	237
1971	−933	592	−1,525	318	197	121	−615	789	−1,404	−43	−1,470	1,427	23
1972	−87	175	−262	1,288	1,663	−375	1,201	1,838	−637	−100	−89	−11	−648
1973	528	265	263	3,211	3,131	80	3,739	3,396	343	175	1,406	−1,231	−888
1974	−47	1,026	−1,073	1,492	−935	2,427	1,445	91	1,354	1,116	1,997	−881	473
1975	−652	833	−1,485	558	−438	996	−94	395	−489	569	−513	1,082	593
1976	884	275	609	2,407	2,075	332	3,291	2,350	941	498	1,789	−1,291	−350
1977	−31	851	−882	838	1,340	−502	807	2,191	−1,384	2,217	843	1,374	−10
1978	2,238	4,324	−2,086	1,881	2,566	−685	4,119	6,890	−2,771	5,442	3,425	2,017	−754
1979	672	2,526	−1,854	3,739	5,992	−2,253	4,411	8,518	−4,107	1,178	−572	1,750	−2,357
1980	5,786	4,135	1,651	6,251	9,212	−2,961	12,037	13,348	−1,311	2,759	1,056	1,703	392
1981	−645	8,677	−9,323	3,477	11,745	−8,269	2,831	20,423	−17,592	11,326	−4,293	15,619	−1,973
1982	189	−590	779	−446	−3,698	3,252	−257	−4,288	4,031	2,558	2,021	537	4,568
1983	1,349	8,558	−7,209	2,185	−3,462	5,647	3,534	5,095	−1,561	−1,188	−1,875	687	−874

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[1] Adjusted for variations in exchange rates.

[2] Commencing with September 30, 1970, changes in assets and liabilities with residents of Puerto Rico and the U.S. Virgin Islands are included with residents of the United States instead of with other non-residents.

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments.*

Reference Table 72

Canada's Reserve Position with the International Monetary Fund[1]

1946 – 1983

Year	IMF transactions with Canada: Increases in subscription[2]	Drawings(-) and repayments	Sales of gold and SDRs	Other	Canadian loans to IMF	IMF transactions with other countries in Canadian dollars	Reserve position at end of period
	(Millions of SDRs[3])						
1946-1960	137.5	—	—	—	—	14.9	152.5
1961	—	—	-25.0	—	—	84.6	212.1
1962	—	-300.0	—	—	—	-50.3	-138.2
1963	—	79.7	—	—	—	—	-58.5
1964	—	166.0	-9.0	—	—	99.0	197.5
1965	—	—	-27.5	—	—	183.4	353.4
1966	47.5	—	—	—	—	47.6	448.5
1967	—	—	—	—	—	-15.1	433.4
1968	—	-361.2	—	2.8	—	131.2	206.2
1969	—	—	-8.6	0.2	—	280.3	478.1
1970	90.0	—	-45.2	1.0	—	145.7	669.6
1971	—	—	-66.3	—	—	-270.7	332.6
1972	—	—	—	—	—	-16.6	315.9
1973	—	—	—	—	—	-35.5	280.4
1974	—	—	—	—	140.7	11.5	432.6
1975	—	—	—	—	106.2	14.7	553.5
1976	—	—	—	—	—	259.4	812.9
1977	—	—	-16.4	-22.1	-41.5	-31.5	701.4
1978	—	—	-8.2	14.8	-76.5	-204.1	427.4
1979	—	—	-8.2	18.5	-103.2	-38.0	296.5
1980	169.6	—	—	0.8	-13.0	—	454.0
1981	—	—	—	—	—	-108.4	345.6
1982	—	—	—	0.4	—	-15.1	330.9
1983	—	—	—	—	—	3.5	671.8

(1) Reserve position equals the Canadian subscription plus outstanding loans to the IMF minus IMF holdings of Canadian dollars. This is the amount of foreign exchange which Canada is entitled to draw from the Fund on demand for balance of payments purposes.

(2) Portion paid in other than Canadian dollars.

(3) Prior to May 8, 1972 one SDR equalled one U.S. dollar. From May 8, 1972, to October 18, 1973 one SDR was equivalent to U.S. $1.08571; from October 18, 1973 to July 1, 1974 one SDR was equivalent to U.S. $1.20635; since the latter date the value of the SDR in terms of U.S. dollars has been determined daily on the basis of a weighted average of the market values of major currencies. Until December 1980, 16 currencies were used; on January 1, 1981, the number of currencies was reduced to five.

Source: Department of Finance.

Reference Table 73

Canada's Official International Reserves
1961 – 1983

End of period	Foreign currencies[1]			Special Drawing Rights	Reserve position in IMF	Total	Total
	U.S. dollars	Other	Gold				
B	3801	3802	3803	3804	3805	3800	
			(Millions of U.S. dollars)				(Millions of SDRs)
1961	1,123.0	10.7	946.2	—	212.1	2,292.0	2,292.0
1962	1,842.8	9.2	708.5	—	—	2,560.5	2,560.5
1963	1,786.6	9.5	817.2	—	—	2,613.3	2,613.3
1964	1,654.5	11.8	1,025.7	—	197.5	2,889.5	2,889.5
1965	1,519.9	12.8	1,150.8	—	353.4	3,036.9	3,036.9
1966	1,195.4	12.4	1,045.6	—	448.5	2,701.9	2,701.9
1967	1,255.2	13.4	1,014.9	—	433.4	2,716.9	2,716.9
1968	1,964.9	11.6	863.1	—	206.2	3,045.8	3.045.8
1969	1,743.6	12.3	872.3	—	478.1	3.106.3	3.106.3
1970	3,022.1	14.5	790.7	182.1	669.6	4,679.0	4,679.0
1971	4,060.6	13.6	791.8	371.9	332.6	5,570.4	5,570.4
1972	4,355.0	12.6	834.1	505.2	342.9	6,049.9	5,572.3
1973	3,927.2	12.2	926.9	563.7	338.2	5,768.2	4,781.5
1974	3,767.7	12.9	940.7	574.3	529.7	5,825.3	4,757.9
1975	3,207.1	15.7	899.4	555.4	648.0	5,325.6	4,549.3
1976	3,446.3	15.8	879.0	557.8	944.5	5,843.4	5,029.3
1977	2,298.7	15.8	935.6	505.3	852.1	4,607.5	3,793.1
1978	2,459.5	18.4	1,009.1	522.4	556.8	4,566.2	3,504.9
1979	1,863.9	23.9	1,022.6	585.9	390.6	3,886.9	2,950.6
1980	2,037.6	23.1	936.6	453.2	579.0	4,029.6	3,159.5
1981	2,865.3	95.8	833.7	174.0	402.4	4,371.1	3,755.4
1982	2,454.9	120.1	782.3	70.8	365.0	3,793.2	3,438.6
1983	2,372.8	368.2	739.1	21.0	703.3	4,204.4	4,015.9

[1] Convertible foreign currency of the Exchange Fund Account, the Receiver General for Canada and the Bank of Canada.

Source: Department of Finance.

Reference Table 74

Price of Foreign Currencies in Canada 1955 – 1983

Year	Belgian franc	French franc	German mark	Italian lira	Japanese yen	Dutch guilder	Swedish krona	Swiss franc	Pound sterling	U.S. dollar
B	3402	3404	3405	3406	3407	3408	3410	3411	3412	3400
					(Average of daily rates)					
1955	0.0196	0.282	0.234	0.00158	0.00274	0.259	0.190	0.230	2.754	0.986
1956	0.0197	0.281	0.234	0.00158	0.00273	0.257	0.190	0.230	2.752	0.984
1957	0.0191	0.256	0.228	0.00154	0.00266	0.251	0.185	0.224	2.679	0.959
1958	0.0195	0.231	0.232	0.00156	0.00270	0.257	0.188	0.226	2.728	0.971
1959	0.0192	0.196	0.230	0.00155	0.00267	0.254	0.185	0.222	2.694	0.959
1960	0.0195	0.198	0.233	0.00156	0.00270	0.257	0.188	0.225	2.723	0.970
1961	0.0203	0.207	0.252	0.00163	0.00281	0.279	0.196	0.235	2.839	1.013
1962	0.0215	0.218	0.267	0.00172	0.00297	0.297	0.207	0.247	3.001	1.069
1963	0.0216	0.220	0.271	0.00174	0.00300	0.300	0.208	0.250	3.020	1.079
1964	0.0217	0.220	0.271	0.00173	0.00300	0.299	0.209	0.250	3.012	1.079
1965	0.0217	0.220	0.270	0.00173	0.00300	0.299	0.209	0.249	3.014	1.078
1966	0.0216	0.219	0.269	0.00173	0.00298	0.298	0.209	0.249	3.009	1.077
1967	0.0217	0.219	0.271	0.00173	0.00298	0.299	0.209	0.249	2.962	1.079
1968	0.0216	0.218	0.270	0.00173	0.00299	0.298	0.209	0.250	2.579	1.077
1969	0.0215	0.208	0.275	0.00172	0.00301	0.297	0.208	0.250	2.574	1.077
1970	0.0210	0.189	0.286	0.00167	0.00292	0.289	0.201	0.242	2.502	1.044
1971	0.0208	0.183	0.291	0.00163	0.00291	0.288	0.198	0.246	2.489	1.010
1972	0.0225	0.196	0.311	0.00170	0.00327	0.309	0.208	0.259	2.479	0.991
1973	0.0258	0.226	0.378	0.00172	0.00370	0.360	0.230	0.317	2.452	1.000
1974	0.0252	0.204	0.379	0.00150	0.00336	0.365	0.221	0.330	2.288	0.978
1975	0.0277	0.238	0.414	0.00156	0.00343	0.403	0.246	0.393	2.258	1.017
1976	0.0256	0.207	0.393	0.00119	0.00333	0.373	0.227	0.395	1.781	0.986
1977	0.0297	0.217	0.459	0.00121	0.00398	0.434	0.238	0.445	1.857	1.063
1978	0.0363	0.254	0.569	0.00135	0.00548	0.529	0.253	0.644	2.191	1.141
1979	0.0399	0.276	0.639	0.00141	0.00537	0.590	0.274	0.705	2.486	1.171
1980	0.0401	0.277	0.644	0.00137	0.00519	0.589	0.277	0.698	2.721	1.169
1981	0.0324	0.222	0.532	0.00106	0.00545	0.482	0.238	0.613	2.430	1.199
1982	0.0271	0.189	0.508	0.00091	0.00497	0.462	0.198	0.609	2.158	1.234
1983	0.0242	0.162	0.483	0.00081	0.00519	0.433	0.161	0.588	1.868	1.232

Source: Bank of Canada.

Reference Table 75

Indexes of Exchange Rates[1]

1970 – 1983

(1971 = 100)

Year and month	Price of Canadian dollar in			Price of U.S. dollar in		
	United States	Other G – 10 countries	Total G – 10 countries	Canada	Other G – 10 countries	Total G – 10 countries
	(Average of daily rates)					
1970	96.7	99.4	97.2	103.4	102.9	103.1
1971	100.0	100.0	100.0	100.0	100.0	100.0
1972	101.9	93.5	100.4	98.1	91.1	93.6
1973	101.0	84.8	97.8	99.0	82.3	87.9
1974	103.3	90.4	100.8	96.8	85.6	89.4
1975	99.3	86.1	96.7	100.7	84.1	89.7
1976	102.4	96.2	101.3	97.6	89.7	92.5
1977	95.0	85.8	93.3	105.3	85.5	92.1
1978	88.6	68.6	84.5	112.9	72.7	85.1
1979	86.2	64.3	81.7	116.0	70.4	84.2
1980	86.4	63.7	81.7	115.8	70.3	84.0
1981	84.2	70.4	81.5	118.7	79.5	91.8
1982	81.9	77.9	81.1	122.2	90.2	100.6
1983	81.9	82.7	82.1	122.0	94.7	103.7
1981 J	84.8	62.4	80.2	117.9	70.4	84.6
F	84.2	64.8	80.3	118.7	73.6	87.4
M	84.8	65.8	81.0	118.0	74.2	87.6
A	84.8	67.7	81.4	117.9	76.3	89.2
M	84.1	70.1	81.4	118.9	79.7	92.0
J	83.9	72.3	81.6	119.2	82.2	93.9
J	83.4	74.5	81.7	120.0	84.9	96.1
A	82.6	75.2	81.2	121.1	86.5	97.6
S	84.1	74.4	82.2	118.9	83.7	94.9
O	84.0	73.5	81.9	119.1	82.7	94.3
N	85.0	72.6	82.6	117.6	80.7	92.3
D	85.2	72.7	82.8	117.4	80.7	92.3
1982 J	84.7	73.6	82.6	118.1	82.3	93.7
F	83.2	74.9	81.6	120.2	85.4	96.5
M	82.7	76.1	81.5	120.9	87.1	98.0
A	82.4	76.9	81.4	121.3	88.4	99.0
M	81.8	74.3	80.4	122.2	86.0	97.5
J	79.2	75.6	78.5	126.3	90.7	102.1
J	79.5	77.2	79.1	125.8	92.2	103.0
A	81.1	79.5	80.8	123.3	93.1	102.9
S	81.8	81.2	81.7	122.3	94.3	103.5
O	82.1	83.3	82.3	121.8	96.4	104.8
N	82.4	83.9	82.6	121.4	96.5	104.7
D	81.6	79.4	81.2	122.6	91.6	101.7
1983 J	82.2	78.8	81.6	121.6	89.8	100.1
F	82.3	80.3	81.9	121.5	91.4	101.2
M	82.4	81.4	82.2	121.4	92.4	101.9
A	82.0	81.0	81.8	122.0	92.7	102.3
M	82.2	80.9	81.9	121.7	92.5	102.0
J	82.0	82.7	82.1	122.0	94.5	104.5
J	81.9	83.5	82.2	122.0	95.8	104.5
A	81.9	85.3	82.5	122.2	98.1	106.1
S	81.9	85.3	82.5	122.0	97.9	105.9
O	82.0	83.5	82.3	122.0	95.6	104.3
N	81.7	84.8	82.2	122.5	97.4	105.7
D	81.0	85.4	81.8	123.5	98.9	107.1

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(1) Geometrically weighted by 1977-81 bilateral shares of trade. The Group of Ten countries comprise Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, Sweden, the United Kingdom, and the United States, plus Switzerland.

Source: Department of Finance

Reference Table 76

Money Market and Eurodollar Rates
1979 – 1983

Month	Canada	United States	Japan	France	West Germany	United Kingdom	Nether-lands	Belgium	Eurodollar: London
					(Per cent)				
1979 J.	10.78	9.35	4.29	6.64	2.99	11.86	8.64	6.33	11.18
F	10.82	9.27	4.35	6.68	3.81	12.62	7.73	6.40	10.79
M	10.92	9.46	4.64	6.77	4.32	11.35	7.14	5.37	10.64
A	10.80	9.49	4.89	6.82	5.24	11.32	7.09	5.25	10.80
M	10.84	9.59	5.12	7.20	5.16	11.35	7.10	4.81	10.72
J	10.78	9.05	5.34	8.01	5.90	12.57	7.57	7.64	10.53
J	11.25	9.26	5.80	9.34	5.73	13.32	8.63	9.59	10.87
A	11.45	9.45	6.69	10.44	6.36	13.31	8.73	9.34	11.50
S	11.64	10.18	6.81	10.99	6.50	13.38	9.39	8.91	12.61
O	13.61	11.47	6.74	11.47	7.67	13.38	9.28	11.32	14.59
N	13.62	11.87	7.58	11.95	7.86	15.33	11.18	10.06	15.00
D	13.66	12.07	8.05	12.17	9.02	15.90	15.90	10.58	14.55
1980 J.	13.50	12.04	8.06	11.99	8.25	15.79	11.18	11.74	14.41
F	13.55	12.81	8.74	12.17	8.06	16.14	10.99	9.66	16.97
M	15.24	15.53	10.73	12.96	8.61	16.18	9.50	12.59	19.94
A	15.15	14.00	12.21	12.40	9.05	16.17	10.47	14.83	13.94
M	11.58	9.15	12.56	12.61	9.80	16.09	11.14	13.47	9.75
J	10.38	7.00	12.64	12.43	10.04	15.80	10.97	11.96	9.75
J	10.06	8.13	12.70	12.04	9.80	14.55	10.31	11.84	9.81
A	10.49	9.26	12.09	11.32	8.92	14.86	10.09	9.80	12.50
S	10.95	10.32	11.40	11.37	9.27	14.40	9.86	9.51	13.94
O	11.91	11.58	11.04	11.22	9.01	14.29	9.34	9.50	15.25
N	13.70	13.89	9.50	10.74	8.76	13.95	9.05	10.04	18.31
D	17.01	15.66	9.49	10.88	9.16	13.07	8.60	9.73	17.75
1981 J.	16.86	14.72	8.91	10.74	9.09	12.85	8.97	10.20	17.44
F	16.83	14.91	8.60	10.91	10.38	12.09	9.08	8.93	16.69
M	16.44	13.48	8.04	11.72	11.97	11.53	9.90	10.25	14.87
A	17.35	13.64	7.19	12.23	11.31	11.33	9.61	16.44	16.97
M	18.43	16.30	7.06	16.03	11.83	11.35	10.68	12.51	17.75
J	18.83	14.56	7.12	19.93	11.93	12.09	11.57	9.40	17.69
J	20.29	14.70	7.26	18.49	11.98	13.28	12.33	10.56	18.75
A	20.82	15.61	7.24	17.50	11.97	13.42	12.67	11.93	18.69
S	19.35	14.95	7.26	17.78	12.00	13.96	11.91	11.26	17.87
O	17.96	13.87	7.05	17.09	11.30	15.55	12.76	12.72	15.66
N	15.07	11.27	6.80	15.72	10.81	14.41	11.89	10.94	12.00
D	14.41	10.93	6.70	15.46	10.58	14.51	10.77	12.45	13.75
1982 J.	14.34	12.41	6.64	15.25	10.46	14.06	10.18	12.27	14.62
F	14.58	12.78	6.68	14.56	10.27	13.56	9.98	12.00	15.00
M	15.07	12.49	6.61	15.72	9.87	12.49	7.76	10.21	15.47
A	14.98	12.82	7.15	16.81	9.33	12.84	8.43	12.56	14.87
M	15.18	12.15	7.28	16.41	9.18	12.63	8.87	12.90	14.44
J	16.33	12.11	7.37	15.86	9.28	12.27	8.14	11.59	15.66
J	15.25	11.91	7.40	14.84	9.46	11.73	8.78	13.05	14.36
A	13.70	9.01	7.44	14.68	9.00	10.53	8.51	11.63	11.63
S	12.73	8.20	7.31	14.28	8.18	9.88	7.37	10.43	11.78
O	11.21	7.75	7.19	13.64	7.58	9.22	7.24	10.98	10.41
N	10.72	8.04	7.22	13.17	7.30	8.82	6.29	10.32	9.79
D	9.80	8.01	7.19	12.90	6.60	9.91	5.19	9.29	9.52
1983 J.	9.58	7.81	7.00	12.75	5.80	10.36	5.14	9.65	8.99
F	9.23	8.13	6.92	13.05	5.80	10.68	4.89	9.88	9.18
M	9.17	8.30	6.85	12.76	5.50	10.50	4.44	11.28	9.30
A	9.12	8.25	6.76	12.31	5.20	9.85	5.18	9.60	9.23
M	9.25	8.19	6.86	12.73	5.30	9.73	5.21	7.21	9.02
J	9.17	8.82	6.64	12.81	5.60	9.37	4.94	7.22	9.71
J	9.24	9.12	6.72	12.44	5.60	9.36	5.28	7.46	10.04
A	9.32	9.39	6.80	12.62	5.70	9.32	5.56	7.57	10.33
S	9.24	9.05	6.86	12.61	5.90	9.11	5.67	5.85	9.86
O	9.24	8.71	6.69	12.63	6.20	8.83	5.75	6.73	9.61
N	9.38	8.71	6.38	12.50	6.30	8.84	5.60	8.32	9.84
D	9.71	8.96	6.38	12.36	6.50	8.87	5.75	7.39	10.14

Source: International Monetary Fund, *International Financial Statistics*.

Reference Table 77

Details of New Issues and Retirements of Government of Canada Marketable Bonds from January 1, 1983 to December 31, 1983

Date	Retirements	Amount	Sub-total	Currency of Payment	New Bonds	Amount Delivered	Sub-total	Currency of Payment	Yield to Maturity (Per cent)	Net Change in Amount Outstanding
					(Millions of dollars, par value)					
February 1	8¼% February 1, 1983	575		C	9¾% December 15, 1985	200		C	9.75%	
	10½% February 1, 1983	250	825	C	10¼% February 1, 1988	350		C	10.25%	
					11¼% February 1, 1993	500		C	11.25%	
					11¾% February, 1, 2003	250	1300	C	12.05%	475
February 16	9½% June 15, 1994[1]	29		C						
	10% October 1, 1995[1]	26		C						
	9¼% May 15, 1997[1]	24		C						
	9% October 15, 1999[1]	14		C						
	9¾% December 15, 2000[1]	12		C						
	9½% October 1, 2001[1]	33		C						
	8¾% February 1, 2002[1]	6		C						
	9½% October 1, 2003[1]	18	162	C						
February 22					10% March 15, 1986	200		C	10.19%	
					10½% March 15, 1988	300	500	C	10.63%	813
March 15	13¾% March 15, 1983	300		C	10% March 15, 1986	100		C	10.12%	
	11¼% March 15, 1983	400	700	C	10½% March 15, 1988	150		C	10.50%	
					11¼% February 1, 1988	450		C	11.20%	813
April 1	8% April 1, 1983	307	307	US						506
April 15	5% October 15, 1987[2]	1	1	US						505
April 27					10% March 15, 1986	125		C	10%	
					10¼% February 1, 1988	150		C	10.31%	
					11¼% February 1, 1993	600		C	11.20%	
					11¾% February 1, 2003	275	1150	C	11.88%	1,655
May 15	8¾% May 15, 1983	950	950	C	9¾% December 15, 1985	75		C		
					10½% October 1, 1989	275		C		
					10¾% May 1, 1993	650		C		
					10¼% December 15, 2002	400	1400	C		2,105
May 20	4¾% May 20, 1983	306	306	DM						1,799
June 6					9¼% June 6, 1985	300	300	C	9.47%	2,099
June 21					10½% October 1, 1989	150		C	10.44%	
					10¾% May 1, 1993	400		C	10.67%	
					11¾% February 1, 2003	250	800	C	11.68%	2,899
July 12					10½% March 15, 1988	175		C	10.70%	
					10¾% September 1,-1990	100		C	11.00%	
					11¼% February 1, 1993	300		C	11.42%	
					11¾% February 1, 2003	225	800	C	11.96%	3,699
August 1					11% December 15, 1987	100		C	11%	
					11¾% December 15, 1992	300		C	11.75%	
					12¼% September 1, 2005	250	650	C	12.21%	4,349

Reference Table 77 (continued)

Details of New Issues and Retirements of Government of Canada Marketable Bonds from January 1, 1983 to December 31, 1983

Date	Retirements	Amount	Sub-total	Currency of Payment	New Bonds	Amount Delivered	Sub-total	Currency of Payment	Yield to Maturity (Per cent)	Net Change in Amount Out-standing
					(Millions of dollars, par value)					
September 1........	4½% September 1, 1983	1,993	1,993	C	11% December 15, 1987	350		C	11.06%	
					11¾% December 15, 1992	650		C	11.79%	
					12¼% September 1, 2005	500	1500	C	12.28%	3,856
September 6........					10½% September 6, 1985	300	300	C	10.67%	4,156
September 27......					11¼% December 15, 1989	225		C	11.41%	
					11¾% October 15, 1993	225		C	11.83%	
					12¼% September 1, 2005	250	700	C	12.36%	4,856
October 15	16% October 15, 1983	75		C	10% March 15, 1986	100		C	10.11%	
	18¾% October 15, 1983	100	175	C	10¾% October 15, 1988	200		C	10.82%	
					11¾% October 15, 1993	300		C	11.75%	
					12% March 1, 2005	250	850	C	12.16%	5,531
October 27					10⅞% October 27, 1988	616	616	US	10.875%	6,147
November 8					10% March 15, 1986	100		C	10.04%	
					10¾% October 15, 1988	175		C	10.81%	
					11½% December 15, 1993	200		C	11.54%	
					12% March 1, 2005	225	700	C	12.16%	6,847
December 6					9¾% December 6, 1985	350	350	C	9.94%	7,197
December 15	9% December 15, 1983	350		C	10% December 15, 1986	100		C	10.20%	
	13¼% December 15, 1983	200		C	10¾% October 15, 1988	250		C	10.81%	
	12¾% December 15, 1983	275	825	C	11½ December 15, 1993	375		C	11.63%	
					12% March 1, 2005	275	1,000	C	12.16%	7,372

(1) Cancellation of securities held by purchase funds
(2) Partial redemption for sinking funds.
Source: Bank of Canada, *Review*, monthly

Reference Table 78

Mortgage Loan Approvals 1976 – 1983

	1976	1977	1978	1979	1980	1981	1982	1983
				(Millions of dollars)				
Residential								
Private lenders								
NHA	4,444	6,207	4,446	4,147	3,410	3,232	3,675	7,775
New	3,225	3,936	2,093	1,586	1,330	1,838	1,794	2,814
Existing	1,219	2,271	2,353	2,561	2,080	1,394	1,881	4,961
Conventional	5,741	8,396	9,441	9,902	8,578	6,082	7,256	14,772
New	2,515	2,685	3,324	3,983	3,173	2,663	1,555	2,398
Existing	3,226	5,711	6,117	5,919	5,405	3,419	5,701	12,374
Total private	10,185	14,603	13,887	14,049	11,988	9,314	10,931	22,547
New	5,740	6,621	5,417	5,569	4,503	4,501	3,349	5,212
Existing	4,445	7,982	8,470	8,480	7,485	4,813	7,582	17,335
CMHC	662	363	289	22	22	29	21	17
New	616	326	254	15	16	18	5	5
Existing	46	37	35	7	6	11	16	12
Total residential	10,847	14,966	14,176	14,071	12,010	9,343	10,952	22,564
New	6,356	6,947	5,671	5,584	4,519	4,519	3,354	5,217
Existing	4,491	8,019	8,505	8,487	7,491	4,824	7,498	17,347
Total public and private	12,284	17,146	16,655	17,219	14,367	10,921	12,432	26,268
Residential	10,847	14,966	14,176	14,071	12,010	9,343	10,952	22,564
Non-residential	1,437	2,180	2,479	3,148	2,357	1,578	1,480	3,704

Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*.

Reference Table 79

Mortgage Loan Approvals by Private Lending Institutions[1]

1977 – 1983

	1977	1978	1979	1980	1981	1982	1983
				(Millions of dollars)			
Chartered banks	4,690	5,182	5,510	4,793	3,441	4,460	9,891
Residential	4,605	4,977	5,205	4,464	3,183	3,929	9,359
New......................	1,762	1,751	1,936	1,660	1,556	976	1,900
Existing..............	2,843	3,226	3,269	2,805	1,627	2,953	7,459
Non-residential	85	204	305	328	258	231	532
Life companies	3,014	2,504	2,865	2,497	1,942	2,094	3,716
Residential	1,610	1,200	1,239	1,277	1,076	1,207	1,456
New......................	1,208	853	823	718	667	670	593
Existing..............	402	347	416	559	409	537	863
Non-residential	1,404	1,304	1,626	1,220	866	887	2,260
Loan, trust, etc.[2]	9,083	8,689	8,822	7,056	5,509	6,157	12,644
Residential	8,394	7,719	7,605	6,246	5,055	5,795	11,732
New......................	3,657	2,822	2,813	2,124	2,278	1,703	2,719
Existing..............	4,737	4,897	4,792	4,122	2,777	4,092	9,013
Non-residential	689	970	1,217	810	454	362	912
Total residential........	14,609	13,896	14,134	12,106	9,314	10,931	22,547
Total non-residential	2,178	2,478	3,148	2,358	1,578	1,480	3,704
Total private..............	16,787	16,374	17,282	14,464	10,892	12,411	26,251

(1) Includes NHA and conventional lending.

(2) Includes loan and trust companies, Quebec savings banks, fraternal and mutual benefit societies, pension funds and mortgage investment brokers.

Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics.*

Reference Table 80
Monetary Aggregates and Selected Banking System Statistics
1970 – 1983

Year	Currency and demand deposits (M1)	Currency, demand deposits, daily interest chequable and non-personal notice deposits (M1A)	Currency and all chequable, notice and term deposits (M2)	Currency plus total privately held chartered banks deposits (M3)	Currency and privately held Canadian dollar deposits	General loans	Canadian dollar major assets	Total personal loans	Business loans
	(Average of Wednesdays)								
	(Millions of dollars)								
1970	9,057	9,713	25,800	32,564	29,411	16,376	28,288	4,934	11,438
1971	10,221	11,300	29,059	35,941	33,660	18,054	32,692	5,862	12,194
1972	11,684	12,707	32,190	41,033	39,656	22,313	39,011	7,202	15,115
1973	13,396	14,393	36,932	47,418	45,242	27,438	45,683	9,064	18,374
1974	14,648	15,662	44,497	59,761	54,853	33,618	54,751	10,773	22,846
1975	16,074	18,133	51,276	69,132	64,944	39,118	63,445	12,838	26,278
1976	18,018	19,497	57,944	82,064	76,199	46,612	74,020	15,518	31,093
1977	19,531	21,223	66,205	95,585	88,296	54,204	85,677	18,362	35,841
1978	21,498	23,561	73,563	109,468	99,512	60,563	98,286	21,168	39,393
1979	23,017	25,319	85,138	131,549	118,994	72,508	117,043	24,546	47,964
1980	24,471	27,642	101,278	153,831	140,596	87,036	133,553	27,718	59,315
1981	25,417	29,361	116,571	173,903	163,059	109,157	159,001	31,509	77,657
1982	25,575	30,978	127,484	182,613	172,979	121,871	186,071	31,310	90,560
1983	28,179	35,783	134,824	185,142	174,823	114,226	184,236	31,368	82,851
	(Per cent change)								
1970	2.5	2.5	7.2	—	6.9	3.9	5.2	5.1	3.4
1971	12.9	16.3	12.6	10.4	14.4	10.2	15.6	18.8	6.6
1972	14.3	12.5	10.8	14.2	17.8	23.6	19.3	22.9	24.0
1973	14.6	13.3	14.7	15.6	14.1	22.9	17.1	25.8	21.6
1974	9.3	8.8	20.5	26.0	21.2	22.5	19.8	18.9	24.3
1975	13.8	15.8	15.2	15.7	18.4	16.4	15.9	19.2	15.0
1976	8.1	7.5	13.0	18.7	17.3	19.2	16.7	20.9	18.3
1977	8.4	8.9	14.3	16.5	15.9	16.3	15.7	18.3	15.3
1978	10.1	11.0	11.1	14.5	12.7	11.7	14.7	15.3	9.9
1979	7.1	7.5	15.7	20.2	19.6	19.7	19.1	16.0	21.8
1980	6.3	9.2	19.0	16.9	18.2	20.0	14.1	12.9	23.7
1981	3.9	6.2	15.1	13.0	16.0	25.4	19.1	13.7	30.9
1982	0.6	5.5	9.4	5.0	6.1	11.6	17.0	−0.6	16.6
1983	10.2	15.5	5.8	1.4	1.1	−6.3	−1.0	0.2	−8.5

Source: Bank of Canada, *Review*, monthly.

Reference Table 81

Canadian Marketable Securities
Supply of Securities and Distribution of Holdings
(Flows)
1973 – 1983

	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983[1]
	(Millions of dollars)										
Supply of securities											
Short-term securities											
Government of Canada treasury bills	556	938	561	1,602	2,350	2,673	2,282	5,451	-55	4,844	12,147
Junior government treasury bills and notes	-72	-55	294	-86	-317	231	-78	326	865	1,834	1,488
Other short-term paper	853	2,765	278	1,189	793	2,415	3,925	5,432	-26	3,036	6,360
Long-term securities											
Government of Canada bonds	-303	753	689	1,765	3,796	5,944	7,612	7,147	4,459	5,767	4,753
Junior government bonds	1,817	3,095	5,527	7,426	5,868	4,497	3,644	3,585	7,255	8,098	5,220
Bonds issued by non-financial corporations	750	1,457	2,112	2,132	2,028	1,563	474	2,141	5,381	2,838	2,809
Bonds issued by financial corporations	829	644	967	1,716	1,088	875	1,079	650	1,604	482	-1,187
Bonds issued by public corporations	34	-1	1	521	560	470	825	1,070	1,713	1,490	797
Stocks	1,228	1,170	1,931	1,680	3,503	8,674	6,840	7,703	13,273	6,475	7,192
Foreign investment	-69	-46	17	-78	-223	-26	581	182	99	539	854
Total	5,623	10,720	12,377	17,867	19,446	27,316	27,184	33,687	34,368	35,443	40,233
Distribution of holdings											
Residents	4,917	8,837	7,496	8,327	13,803	22,293	22,724	27,472	22,139	24,484	34,077
Bank of Canada	608	1,103	734	638	1,749	1,706	1,606	2,242	1,121	-1,543	1,138
Chartered banks	-82	1,545	-123	1,504	3,582	7,182	48	-910	3,490	1,982	6,313
Near banks	66	-40	610	546	1,459	1,165	1,228	3,356	1,487	4,503	4,697[2]
Insurance and pension institutions	2,259	2,329	3,468	3,843	4,420	5,781	7,789	9,028	9,933	9,603	9,311
Other private financial institutions	-248	652	726	1,129	725	1,236	489	799	889	1,900	2,673
Other residents	2,314	3,248	2,081	667	1,868	5,223	11,564	12,957	5,219	8,039	9,947
Non-residents	706	1,883	4,881	9,540	5,643	5,023	4,460	6,215	12,229	10,959	6,156

[1] January to September.

[2] Consolidates all wholly and majority owned subsidiaries of Quebec savings banks.

Source: Department of Finance and Bank of Canada.

Reference Table 82

Selected Interest Rates: Canada-United States

1970 – 1983

	Canada						United States			
Years	Bank rate	3-month Treasury Bills	Government of Canada bonds: over 10 years	Prime corporate paper: 90 days	Bank prime lending rate	5-year conventional mortgage rate	Discount rate	Federal funds	Commercial paper: 90 days	Bank prime lending rate
B	14006	14007	14013	14017	14020	14024	54405	54406	54412	54404
(Annual average, in per cent)										
1970	7.13	5.99	7.91	7.34	8.17	10.45	5.94	6.96	8.11	7.81
1971	5.19	3.56	6.95	4.51	6.48	9.43	4.83	4.66	5.17	5.69
1972	4.75	3.56	7.23	5.10	6.00	9.21	4.50	4.46	4.83	5.29
1973	6.13	5.47	7.56	7.45	7.65	9.59	6.54	8.80	8.55	8.17
1974	8.50	7.82	8.90	10.51	10.75	11.24	7.86	10.42	10.33	10.75
1975	8.50	7.39	9.03	7.94	9.42	11.43	6.21	5.84	6.26	7.73
1976	9.29	8.87	9.18	9.17	10.04	11.78	5.46	5.07	5.31	6.81
1977	7.71	7.33	8.70	7.47	8.50	10.36	5.52	5.62	5.75	6.88
1978	8.96	8.68	9.27	8.83	9.69	10.59	7.54	8.05	8.32	9.17
1979	12.10	11.69	10.21	12.07	12.90	11.98	10.38	11.32	11.44	12.79
1980	12.89	12.79	12.48	13.15	14.25	14.32	11.75	13.21	13.03	15.44
1981	17.93	17.72	15.22	18.33	19.29	18.15	13.42	15.96	15.89	18.75
1982	13.96	13.66	14.26	14.15	15.81	17.90	10.92	11.95	12.12	14.69
1983	9.56	9.32	11.79	9.45	11.17	13.29	8.50	8.96	9.20	10.79
(Last Wednesdays, per cent)										
1983 J	9.81	9.58	12.28	10.05	12.00	14.05	8.50	8.44	8.52	11.00
F	9.43	9.23	11.80	9.50	11.50	13.60	8.50	8.47	8.48	11.00
M	9.42	9.17	11.70	9.30	11.50	13.45	8.50	8.88	9.27	10.50
A	9.46	9.12	11.18	9.30	11.00	13.26	8.50	8.58	8.60	10.50
M	9.38	9.25	11.30	9.35	11.00	13.16	8.50	8.72	8.81	10.50
J	9.42	9.17	11.56	9.30	11.00	12.98	8.50	8.90	9.44	10.50
J	9.51	9.24	12.03	9.35	11.00	13.08	8.50	9.46	9.63	10.50
A	9.57	9.29	12.34	9.35	11.00	13.57	8.50	9.44	9.81	11.00
S	9.52	9.24	11.76	9.30	11.00	13.88	8.50	9.04	9.22	11.00
O	9.54	9.24	11.73	9.30	11.00	13.10	8.50	9.36	9.35	11.00
N	9.63	9.48	11.80	9.50	11.00	12.84	8.50	9.27	9.40	11.00
D	10.04	9.71	12.02	9.85	11.00	12.55	8.50	8.96	9.90	11.00

Source: Bank of Canada, *Review*, Monthly.

Reference Table 83
Net New Issues of Marketable Bonds and Stocks
1973 – 1983

	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
					(Net flows, millions of dollars)						
Federal bonds[1]											
Canada	–226	801	719	1,768	3,797	3,424	6,886	7,203	4,220	4,467	7,230
Total	–315	756	682	1,767	3,795	5,738	7,612	7,201	4,577	5,796	6,736
Provincial[2] and municipal bonds											
Canada	983	894	1,844	1,973	2,592	2,930	2,767	4,474	3,310	4,381	5,359
Total	1,584	2,484	5,234	7,212	5,596	4,540	4,154	4,606	8,679	10,142	9,668
Corporate and other bonds											
Canada	1,644	1,637	2,341	1,255	3,229	3,173	1,240	1,695	1,934	443	1,501
Total	1,592	1,871	2,948	4,006	5,145	4,642	2,765	3,900	6,125	4,770	3,606
Stocks											
Canada	561	769	1,241	1,210	3,143	6,960	4,390	4,936	6,719	4,442	6,212
Total	612	793	1,257	1,275	3,143	6,983	4,521	5,401	6,886	4,556	6,869
Total[3]											
Canada	2,982	4,101	6,145	6,206	12,761	16,487	15,283	18,308	16,183	13,733	20,302
Total	3,473	5,904	10,121	14,260	17,679	21,903	19,062	21,110	26,267	25,263	26,878

[1] Excludes securities held in government accounts, Treasury bills and savings bonds.

[2] Excludes savings bonds, bonds bought by provincial accounts and Canada Pension Plan. Includes bonds bought by the Caisse de dépôt et de placements de Québec.

[3] Includes issues by financial corporations.

Source: Bank of Canada

Reference Table 84

Loans to Persons
1976 – 1983

	1976	1977	1978	1979	1980	1981	1982	1983
				(Net flows, millions of dollars)				
Consumer credit								
Chartered banks	2,889	2,595	2,994	3,651	3,583	1,863	–694	1,677
Other deposit-accepting institutions(1)	748	728	1,273	1,067	747	–248	–81	798
Other lenders(2)	118	–13	354	110	173	1,005	–461	–10
Total	3,755	3,310	4,621	4,828	4,503	2,620	–1,236	2.465
Other loans to persons(3)	109	320	66	84	199	369	400	826
Total loans to persons(4)	3,864	3,630	4,687	4,912	4,702	2,989	–836	3,291
				(Per cent change)				
Total consumer credit	16.3	12.4	15.4	13.9	11.4	6.1	–2.7	5.4
Consumer expenditure	15.1	10.7	10.5	11.4	11.9	13.7	8.4	9.2
Consumer expenditure on durable goods	11.1	7.7	9.4	13.0	6.6	10.1	–3.0	15.2

Note: Data may not add due to rounding. Data for 1983 are estimates of the Department of Finance.

(1) Credit unions and caisses populaires, Quebec savings bank, trust and mortgage loans companies.

(2) Department stores, sales finance and consumer loan companies and life insurance companies.

(3) Canada Savings Bond loans and trust and mortgage loan company secured loans.

(4) Excludes personal loans to purchase marketable securities and home improvement loans.

Source: Bank of Canada, *Review*; Statistics Canada, *Financial Flow Accounts*, cat. 13-002; and Department of Finance.

Reference Table 85

Mortgage Lending
1976 – 1983

	1976	1977	1978	1979	1980	1981	1982	1983
	(Net flows, millions of dollars)							
Private Lending								
Chartered banks[1]	2,003	3,497	3,800	4,323	3,294	2,114	428	3,017
Trust and non-bank mortgage loan companies[2]	2,996	3,244	3,780	4,257	2,630	690	536	2,999
Credit unions and caisses populaires	1,596	2,318	2,443	2,296	1,603	530	−522	1,249
Insurance and pension institutions	1,962	2,451	2,235	2,340	2,102	1,950	1,469	1,605
Other private lenders[3]	485	622	1,238	192	177	1,053	212	381
Sub-total	9,042	12,132	13,496	13,409	9,806	6,337	2,123	9,251
Government sector lending	1,492	1,154	642	290	834	1,309	1,196	918
Total[4]	10,534	13,286	14,138	13,698	10,640	7,646	3,319	10,169

Note: Data may not add due to rounding. Data for 1983 are estimates of the Department of Finance.

[1] Includes chartered bank mortgage loan affiliates. Excludes non-residential mortgage loans.

[2] Excludes chartered bank mortgage loan affiliates.

[3] Mutual funds, fire and casualty insurance companies, mortgage investment trust corporations, sales finance and consumer loan companies, Quebec savings banks, non-financial corporations and other private financial institutions.

[4] Excludes mortgage lending by persons and unincorporated businesses.

Source: Bank of Canada, *Review*; Statistics Canada, *Financial Flow Accounts*; and Department of Finance.

Reference Table 86

Change in Chartered Banks Assets[1]
1978-1983

	1978	1979	1980	1981	1982	1983
	(Net flows, millions of dollars)					
Canadian liquid assets	1,210	608	−130	255	1,750	3,849
Treasury bills	968	915	670	443	1,918	3,889
Other	242	−307	−800	−188	−168	−40
Less liquid assets	14,684	19,929	17,271	36,282	−42	−6,693
Personal loans	2,981	3,637	3,565	1,903	−679	1,854
Business loans	4,006	12,178	10,036	26,907	−426	−10,921
Mortgages[1]	3,965	4,495	3,564	425	367	3,004
Other loans	186	141	351	882	−477	−663
Corporate securities	3,592	−391	−129	1,682	359	−806
Other assets[2]	−45	−131	−116	4,483	834	836
Total Canadian dollar major assets	15,894	20,537	17,141	36,537	1,708	−2,845
Foreign currency loans to residents	2,681	495	2,131	11,421	3,159	358
Total foreign currency assets	19,314	14,893	28,083	37,439	9,103	373

[1] Data before 1981 is re-estimated to be consistent with new chartered bank reporting system.

[2] Includes non-residential mortgages, leasing receivables, provincial and municipal securities and securities of corporations associated with banks.

Source: Bank of Canada, *Review*.

Reference Table 87

Change in Assets of Non-Bank Deposit-Accepting Institutions[1]

1972 – 1983

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
						(Millions of dollars)						
Currency and deposits	272	396	378	524	554	522	358	6	407	1,904	1,432	50
Consumer credit	312	467	423	545	775	701	1,165	1,100	760	492	71	650
Other loans	79	74	165	196	460	36	188	586	505	806	775	1,000
Mortgages	2,284	3,681	3,284	3,779	4,977	6,450	6,606	8,017	7,143	6,408	7,256	10,500
Canadian marketable securities	187	65	−52	595	523	1,340	1,155	1,281	3,309	1,182	4,580	5,000
Other assets	162	153	160	150	297	118	529	109	627	1,486	374	400
Total assets	3,296	5,836	4,358	5,789	7,586	9,165	10,001	11,099	12,755	12,278	14,487	17,600
(Percentage change)	(18.0)	(22.4)	(16.5)	(18.8)	(20.7)	(20.7)	(18.8)	(17.5)	(17.1)	(14.2)	(14.5)	(13.3)
Deposits	3,068	4,247	4,032	5,368	6,569	8,269	8,913	9,255	10,896	10,343	10,859	14,000
(Percentage change)	(19.4)	(22.3)	(17.3)	(19.7)	(20.1)	(21.1)	(18.8)	(16.4)	(16.6)	(13.6)	(12.6)	(14.3)

Note: Data many not add due to rounding. Flow data for 1983 are estimates of the Department of Finance.

[1] Includes trust and mortgage loan companies, local credit unions and caisses populaires and Quebec Savings Bank. Includes trust and mortgage loan companies associated with chartered banks.

Source: Bank of Canada, *Review*; and Statistics Canada, *Financial Flow Accounts*.

Reference Table 88
Change in Assets of Insurance Companies and Pension Funds
1970 – 1983

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
							(Millions of dollars)							
Currency and deposits	107	−65	151	196	268	−7	86	332	256	473	582	1,256	911	50
Loans	58	78	44	69	201	71	268	91	210	240	462	625	272	650
Mortgages	296	287	448	948	1,199	1,306	1,962	2,461	2,235	2,340	2,102	1,949	1,462	1,100
Bonds and short-term paper	861	1,010	1,147	1,511	1,824	2,828	2,875	4,115	5,329	7,013	6,584	7,211	7,480	8,800
Equities	456	804	990	753	502	656	968	306	452	778	2,434	2,280	1,977	4,000
Other assets	−13	34	85	140	90	188	343	215	567	486	850	719	1,343	1,500
Total	1,769	2,148	2,863	3,617	4,084	5,043	6,502	7,509	9,049	11,330	13,014	14,039	13,445	16,050
(Percentage change)	(7.7)	(6.8)	(10.7)	(12.2)	(12.3)	(13.5)	(15.3)	(15.3)	(16.0)	(17.3)	(17.0)	(15.6)	(12.3)	(14.3)

Note: Data may not add due to rounding. Data for 1983 are estimates of the Department of Finance.

Source: Statistics Canada, Financial Flow Accounts; and Department of Finance.

Reference Table 89

Credit Expansion by Type of Instrument 1980–1983

	1980	1981	1982	1983
	(Net flows, billions of dollars)			
Short-term instruments	23.8	52.3	21.7	13.2
Loans to persons	4.4	3.2	−1.1	2.2
Chartered bank business loans	10.0	28.9	−.4	−10.9
Foreign currency loans	2.1	11.4	3.2	.4
Treasury bills and short-term paper	8.3	2.0	12.4	16.1
Canada Savings Bonds	−1.3	6.1	8.0	6.2
Loans to provinces and municipalities	.3	.7	−.4	.8
Long-term instruments[1]	28.4	30.5	31.1	33.3
Marketable bonds	18.6	21.7	25.6	22.0
Mortgages[2]	5.7	3.6	1.4	5.8
Equities	4.1	5.2	4.1	5.5
Other instruments	−3.9	−7.0	−1.2	−9.3
Total Funds Raised	48.3	75.8	51.6	37.2

[1] Excludes borrowing by financial institutions. Data for 1983 are Department of Finance estimates.

[2] Does not include mortgage borrowing from the government sector.

Source: Bank of Canada, *Review*.

Reference Table 90
Non-Financial Business Sector: Net New Borrowing by Type of Instrument
1970 – 1983

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
							(Net flows, millions of dollars)							
Total	2,970	4,558	4,492	6,522	8,709	7,767	9,534	11,310	16,341	19,619	21,937	45,063	14,983	– 333
Short-Term	469	1,810	2,565	4,514	6,178	4,018	6,468	4,374	7,007	14,718	14,760	40,176	8,600	– 8,564
Bank loans	81	1,455	2,847	4,701	4,702	3,804	6,120	4,460	6,687	12,673	12,167	38,328	2,661	– 10,563
(of which foreign currency loans booked in Canada)	(249)	(– 155)	(– 88)	(158)	(846)	(696)	(510)	(1,039)	(2,661)	(495)	(2,131)	(11,421)	(3,159)	(358)
Commercial paper	167	347	– 269	– 139	915	70	260	– 117	– 178	234	163	652	– 166	806
Banker's acceptances	221	8	– 13	– 48	561	144	88	31	498	1,271	2,430	1,196	6,105	1,193
Long-term	1,596	1,823	1,307	1,178	1,686	3,024	3,365	6,461	9,199	4,691	6,377	9,287	7,808	8,031
Bonds	1,291	1,518	862	736	1,216	2,139	2,329	3,658	3,276	1,158	2,317	4,083	3,727	2,539
Stocks	305	305	445	442	470	885	1,036	2,803	5,923	3,533	4,060	5,204	4,081	5,492
Direct investment from abroad	905	925	620	830	845	725	– 299	475	135	750	800	– 4,400	– 1,425	200

Source: Bank of Canada, *Review.*

Reference Table 91

Recent OECD Economic Indicators
1966 – 1983

	Average 1966-1973	Average 1974-1978	Average 1979-1983	1979	1980	1981	1982	1983
				(Per cent)				
Growth in real GNE/GDP(1)(4)								
United States	3.9	2.8	1.3	2.8	−0.3	2.6	−1.9	3.3
Japan	10.7	3.7	4.1	5.9	5.4	3.8	3.0	3.0
Germany	4.3	2.0	1.2	4.4	1.8	−0.3	−1.1	1.3
France	5.4	3.1	1.5	3.3	1.1	0.4	1.9	0.5
United Kingdom	2.8	1.3	0.2	1.4	−2.1	−1.7	2.0	2.5
Italy	5.4	2.1	1.4	4.9	3.9	0.1	−0.3	−1.5
Canada	5.5	3.2	1.2	3.2	1.0	3.4	−4.4	3.0
Seven major countries	5.4	2.7	1.9	3.6	1.2	1.9	−0.3	2.4
Employment growth(4)								
United States	2.3	2.5	1.0	2.9	0.5	1.1	−0.9	1.3
Japan	1.3	0.6	1.2	1.3	1.0	0.8	1.0	2.0
Germany	0.0	−0.9	−0.5	1.3	0.9	−0.8	−1.9	−2.0
France	0.6	0.4	−0.3	−0.7	0.1	−0.7	−0.1	−0.8
United Kingdom	−0.1	0.0	−1.3	1.1	−1.3	−3.6	−1.7	−0.8
Italy	−0.2	1.0	0.5	1.0	0.8	0.5	−0.4	−0.3
Canada	2.9	2.6	1.3	4.0	2.8	2.6	−3.3	0.8
Seven major countries	1.4	1.2	0.6	1.9	0.7	0.5	−0.7	0.6
Unemployment rate(2)(4)								
United States	4.5	7.0	8.0	5.9	7.2	7.6	9.7	9.6
Japan	1.2	1.9	2.3	2.1	2.0	2.2	2.4	2.8
Germany	0.9	3.5	5.3	3.3	3.3	4.6	6.9	8.5
France	2.2	4.2	7.2	5.9	6.3	7.3	8.0	8.3
United Kingdom	2.2	4.1	8.4	4.7	5.7	9.0	11.0	11.5
Italy	5.7	6.3	8.5	7.6	7.5	8.3	9.1	10.0
Canada	4.8	7.2	9.1	7.5	7.5	7.6	11.0	11.9
Seven major countries	3.2	5.3	6.8	5.0	5.7	6.5	8.1	8.5
Consumer price inflation(3)(4)								
United States	4.4	8.0	8.8	11.3	13.5	10.3	6.1	3.2
Japan	6.2	11.3	4.2	3.6	8.0	4.9	2.7	1.9
Germany	3.9	4.8	4.8	4.1	5.5	5.9	5.3	3.0
France	5.1	10.7	11.8	10.8	13.6	13.4	11.8	9.6
United Kingdom	6.1	16.1	11.2	13.4	18.0	11.9	8.6	4.6
Italy	4.5	16.7	17.4	14.8	21.2	19.5	16.6	14.6
Canada	4.3	9.2	9.7	9.1	10.2	12.5	10.8	5.8
Seven major countries	4.7	9.6	8.5	9.3	12.2	10.0	6.9	4.5
Growth of productivity(1)(4)								
United States	1.5	0.3	0.4	0.0	−0.8	1.5	−1.1	2.0
Japan	9.3	3.1	2.8	4.5	3.1	3.0	1.9	1.3
Germany	4.3	3.0	1.7	3.1	0.9	0.4	0.7	3.3
France	4.8	2.7	1.8	4.2	1.1	1.1	1.9	1.3
United Kingdom	3.1	1.3	1.5	0.3	−0.1	1.9	3.8	3.3
Italy	5.6	1.1	0.9	3.9	3.1	−0.3	0.0	−1.3
Canada	2.5	0.6	−0.1	−0.8	−1.7	0.8	−1.2	2.2
Seven major countries	3.9	1.4	1.2	1.7	0.5	1.5	0.3	1.8

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(1) GNE numbers are reported for the United States, Japan, Germany and Canada, while GDP numbers are reported for France, the United Kingdom and Italy.

(2) Unemployment rates are on the basis of national definitions.

(3) As measured by the year-over-year variation in the CPI.

(4) Averages are calculated by using weights based on the GNE/GDP respective shares in 1981.

Source: OECD, *Economic Outlook*, December 1983, *Main Economic Indicators*, updated in certain cases with more recent information; Statistics Canada, *National Income and Expenditure Accounts*, *The Labour Force*, and *Consumer Prices and Price Indexes*, U.S. Department of Commerce, *Survey of Current Business*; and U.S. Department of Labour *Monthly Labour Review*.

Reference Table 92

Evolution of Interest Rates and Exchange Rates For the Seven Largest Countries of the OECD 1979 – 1983

	1979	1980	1981	1982	1983	1983			
						March	June	Sept	Dec
					(Per cent)				
Representative short-term money market interest rates[1]									
United States	11.26	13.17	15.66	11.95	9.10	9.34	9.34	9.36	9.75
Japan	6.06	10.75	7.30	6.84	6.40	6.57	6.47	6.62	6.42
Germany	6.88	9.54	12.24	8.67	5.73	5.30	5.55	5.80	6.30
France	9.73	12.20	15.58	14.55	12.42	12.70	12.50	12.50	12.19
United Kingdom	13.84	16.55	13.99	12.15	10.08	10.69	9.75	9.56	9.31
Italy	12.25	17.49	19.86	19.76	17.99	19.00	17.50	17.50	17.88
Canada	12.05	13.23	18.25	14.23	9.54	9.45	9.45	9.40	9.87
Real money market interest rates[2]									
United Stated	−0.04	−0.33	5.38	5.75	6.20	5.64	6.74	6.46	5.95
Japan	2.46	2.75	2.40	4.74	5.08	4.27	4.47	5.92	4.62
Germany	2.78	4.04	6.34	3.37	3.13	1.70	3.25	3.00	3.70
France	−1.07	−1.40	2.18	2.95	2.02	3.70	3.70	2.40	2.89
United Kingdom	0.44	−1.45	2.09	4.05	5.08	6.09	6.05	4.46	4.01
Italy	−2.55	−3.71	0.38	3.46	4.89	2.90	2.00	4.20	5.48
Canada	2.95	3.03	5.75	3.43	4.64	2.25	3.95	4.40	5.37
					(1980 – 1982 = 100)				
Indexes of real effective exchange rates[1]									
United States	88.00	89.50	100.70	109.80	112.60	110.60	112.60	114.10	116.10
Japan	105.60	103.10	104.70	92.30	96.40	96.50	95.30	94.80	96.40
Germany	107.10	103.50	97.40	99.10	99.50	101.10	99.30	98.80	98.60
France	101.20	102.20	100.20	97.70	96.30	97.60	94.30	95.90	97.50
United Kingdom	85.10	99.20	101.90	96.90	94.70	89.20	96.90	97.70	94.80
Italy	100.80	103.50	96.70	97.80	99.60	99.70	100.00	93.50	88.80
Canada	100.10	99.60	100.00	100.40	102.90	102.70	103.20	104.40	102.60

Note: According to the source, "The index of the effective exchange rate for a currency is a measure of that currency's trade-weighted average appreciation or depreciation vis-à-vis the currencies of 15 other major countries. The exchange rates used in the construction of this index are the averages of daily noon spot exchange rates in New York... The trade weights used are based on 1980 bilateral trade in manufactures. The index of the real effective exchange rate is the index of the effective exchange rate adjusted for inflation differentials which are measured by wholesale (or producer) prices of non-food manufactures. Exchange rates and trade weights used in the construction of this index are the same as those used for effective exchange rate indices."

[1] Annual figures are calculated using monthly averages. Monthly figures are month-end data.

[2] Real rates are obtained by subtracting inflation, defined as the year-over-year percentage change in the CPI, (See Reference Table 90), from representative short-term money market interest rates.

Source: Morgan Guaranty Trust Company of New York, *World Financial Markets.*

Reference Table 93

Current Account Balances of OECD Countries
1976 – 1983

	1976	1977	1978	1979	1980	1981	1982	1983
				(Billions of U.S. dollars)				
United States	4.2	−14.5	−15.4	−1.0	0.4	4.6	−11.2	−38.2
Japan	3.7	10.9	16.5	−8.8	−10.7	4.8	6.9	22.5
Germany	3.9	4.1	9.0	−6.1	−15.7	−6.5	3.5	5.3
France	−3.4	−0.4	7.0	5.2	−4.2	−4.7	−12.1	−5.3
United Kingdom	−1.5	0.0	2.2	−1.4	7.5	13.2	9.5	1.5
Italy	−2.8	2.5	6.2	5.5	−9.7	−8.1	−5.5	1.5
Canada	−4.2	−4.1	−4.3	−4.1	−0.9	−4.8	2.4	0.8
Seven major countries	−0.1	−1.5	21.2	−10.7	−33.3	−1.5	−6.5	−11.9
Total OECD	−14.6	−21.3	12.5	−28.5	−69.4	−28.1	−29.8	−21.7
				(Per cent of GNP/GDP)				
United States	0.2	−0.8	−0.7	0.0	0.0	0.2	−0.4	−1.2
Japan	0.7	1.6	1.7	−0.9	−1.0	0.4	0.6	1.9
Germany	0.9	0.8	1.4	−0.8	−1.9	−1.0	0.5	0.8
France	−1.0	−0.1	1.5	0.9	−0.6	−0.8	−2.2	−1.0
United Kingdom	−0.7	0.0	0.7	−0.3	1.4	2.6	2.0	0.4
Italy	−1.5	1.1	2.4	1.7	−2.4	−2.3	−1.6	0.4
Canada	−2.1	−2.1	−2.1	−1.8	−0.4	−1.7	0.8	0.2
Seven major countries	0.0	0.0	0.4	−0.2	−0.5	0.0	−0.1	−0.2
Total OECD	−0.3	−0.4	0.2	−0.4	−0.9	−0.4	−0.4	−0.3

Source: OECD, *Economic Outlook*, December 1983 and *Main Economic Indicators*, updated in some cases with more recent information; Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001; and *National Income and Expenditure Accounts*, cat. 13-001; U.S. Department of Commerce, *Survey of Current Business*.

Reference Table 94

An International Comparison of Central and Total Government Budget Balances as Percentages of Gross Domestic Product or Gross National Product (GDP/GNP) 1975 – 1983

	Canada	United States	United Kingdom	France	Germany	Italy	Japan
				(Per cent)			
Central government							
Average, 1967-1974	0.2	−1.0	1.7	0.6	−0.2[1]	−3.7[1]	0.7[1]
1975	−2.3	−4.6	−3.3	−1.9	−3.0	−7.4	−4.2
1976	−1.8	−3.1	−4.0	−0.1	−2.3	−4.6	−4.5
1977	−3.5	−2.4	−2.8	−0.7	−1.6	−4.9	−5.5
1978	−4.6	−1.4	−3.6	−1.3	−1.6	−11.0	−6.2
1979	−3.5	−0.7	−2.5	−0.8	−1.5	−9.1	−5.6
1980	−3.3	−2.3	−2.6	−0.2	−1.7	−7.4	−5.3
1981	−2.1	−2.1	−2.6	−1.1	−2.2	−10.2	−5.7
1982	−5.7	−4.8	—	—	—	—	—
1983[2]	−6.3	−5.5	—	—	—	—	—
Total government[3]							
Average, 1967-1974	0.9	−0.5	−0.9	0.5	−0.2[1]	−6.3[1]	−0.9[1]
1975	−2.4	−4.1	−4.9	−2.2	−5.8	−11.7	−2.8
1976	−1.7	−2.1	−5.0	−0.5	−3.6	−9.0	−3.8
1977	−2.4	−0.9	−3.4	−0.8	−2.4	−8.0	−3.7
1978	−3.1	0.0	−4.2	−1.9	−2.5	−9.7	−5.5
1979	−1.8	0.6	−3.2	−1.1	−2.7	−9.5	−4.8
1980	−2.5	−1.2	−3.5	−0.3	−3.1	−8.0	−4.5
1981	−1.1	−0.9	−2.8	−1.9	−3.9	−11.7	−4.0
1982	−5.3	−3.8	−2.0	−2.6	−3.5	−11.9	−4.0
1983[2]	−5.9	−3.9	−2.7	−3.4	−3.1	−12.0	−3.4

[1] The average is for 1970-1974 instead of 1967-1974.

[2] OECD estimates except for Canada and the United States which are actual.

[3] Includes central and local governments and the social security system, but excludes public corporations.

Source: OECD, *National Accounts for OECD Countries 1964-1981*, Volume II; *Economic Outlook*, December 1983; Statistics Canada, *National Income and Expenditure Accounts*; Executive Office of the President, Council of Economic Advisers, *Economic Report of the President*, updated in some cases with more recent information.

Reference Table 95

Share of OECD Exports

1972 – 1983[1]

Year	Canada	U.S.A.	Japan	EEC	Other OECD[2]	Total OECD exports
			(Per cent)			(Billions of U.S. dollars)
Food, beverage and tobacco (SITC 0,1)						
1972	9	24	2	60	5	27.3
1973	7	31	2	56	4	42.2
1974	8	31	2	55	4	49.5
1975	7	30	1	57	4	55.7
1976	7	30	2	57	4	58.4
1977	7	25	1	62	4	62.8
1978	6	27	1	62	4	77.3
1979	6	27	1	63	4	92.7
1980	6	28	1	61	4	110.5
1981	7	30	2	58	4	112.4
1982	8	26	1	60	4	102.3
1983	9	27	1	59	4	99.1
Crude materials, (SITC 2,4)						
1972	23	29	3	30	15	19.0
1973	20	32	3	30	15	28.6
1974	19	32	3	31	15	38.1
1975	19	32	3	31	15	33.2
1976	21	31	2	31	15	38.1
1977	20	33	2	31	13	43.0
1978	18	35	2	32	13	48.7
1979	19	35	2	31	13	64.0
1980	18	36	2	31	13	71.7
1981	19	36	2	30	13	64.0
1982	18	36	2	31	12	57.0
1983	19	35	2	32	12	57.2
Fuels (SITC 3)						
1972	19	17	1	60	3	9.1
1973	18	13	1	64	4	13.3
1974	21	14	1	60	4	24.8
1975	19	16	1	57	6	27.3
1976	18	14	0	60	8	9.1
1977	15	13	0	64	7	33.4
1978	13	10	1	66	10	37.9
1979	12	9	1	66	11	59.9
1980	11	10	1	64	14	83.4
1981	11	11	1	64	13	89.7
1982	11	14	0	61	13	89.9
1983	12	11	1	62	14	85.5

Reference Table 95 (continued)
Share of OECD Exports
1972 – 1983[1]

Year	Canada	U.S.A.	Japan	EEC	Other OECD[2]	Total OECD exports
			(Per cent)			(Billions of U.S. dollars)
Machinery and Transport Equipment (SITC 7)						
1972	7	21	14	53	6	101.4
1973	6	21	14	53	6	133.5
1974	5	23	15	51	6	169.0
1975	5	23	14	52	7	199.2
1976	5	22	16	51	6	226.0
1977	5	20	17	52	6	256.4
1978	5	19	18	52	6	310.4
1979	5	20	16	54	6	355.9
1980	4	20	17	53	5	413.2
1981	5	23	20	47	5	421.8
1982	5	22	19	49	5	404.8
1983	6	21	21	47	5	397.4
Fabricated Materials and Manufactured Goods (SITC 5, 6, 8, 9)						
1972	4	12	12	63	8	110.7
1973	4	12	11	65	8	151.9
1974	3	13	13	62	8	215.1
1975	3	13	12	63	8	214.0
1976	4	13	12	63	8	236.3
1977	3	13	12	64	8	271.8
1978	4	12	12	64	8	324.1
1979	3	14	11	64	8	408.1
1980	4	14	12	62	8	475.7
1981	4	15	14	59	8	444.4
1982	4	14	14	60	8	415.2
1983	4	14	14	60	8	409.8
Total						
1972	7	18	11	56	7	267.3
1973	7	19	10	57	7	369.6
1974	7	20	11	55	7	496.5
1975	6	20	11	56	8	529.5
1976	6	19	11	55	7	588.5
1977	6	18	12	57	7	668.0
1978	6	18	12	57	7	798.5
1979	6	18	11	58	7	980.7
1980	6	19	11	57	7	1,154.4
1981	6	20	13	53	7	1,132.4
1982	6	19	13	54	7	1,069.2
1983	6	19	14	53	7	1,049.0

Note: Balances may not be the sum of the detail due to rounding.SITC: Standard International Trade Classification.

[1] 1983 figures are estimates based on partial data.

[2] Excludes: Australia, Ireland, New Zealand, Portugal, Spain, Switzerland, Turkey and Yugoslavia.

Source: OECD Trade Series A and Department of Finance.